State of Michigan

Department of Community Health

2004–2005 External Quality Review Technical Report *for* Medicaid Health Plans

October 2005

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1. Executive Summary

Introduction

The *2004–2005 External Quality Review (EQR) Technical Report for Medicaid Health Plans* (MHPs) is presented to comply with Medicaid managed care regulations at 42 Code of Federal Regulations (CFR) 438.364. This report describes the manner in which data from EQR-mandated activities were aggregated and analyzed, and conclusions drawn, as to the quality and timeliness of, and access to, care furnished to Michigan Medicaid recipients by 15 MHPs.

The Michigan Department of Community Health (MDCH) is a consolidation of the Departments of Public Health and Mental Health, the Medical Services Administration (the State's Medicaid agency), and the Offices of Drug Control Policy and Services to the Aging. MDCH is the Michigan state agency responsible for health policy and management of the State's publicly funded health care systems.

The delivery system for managed physical health services for Medicaid recipients in 2004–2005 was provided through contracts with the following MHPs. The names and acronyms used throughout this report for the MHPs are:

- **Cape Health Plan** (**CAP**)
- **Community Choice Michigan** (**CCM**)
- **Great Lakes Health Plan** (**GLH**)
- **Health Plan of Michigan, Inc.** (**HPM**)
- **HealthPlus Partners, Inc.** (**HPP**)
- **M-CAID** (**MCD**)
- **McLaren Health Plan** (**MCL**)
- **Midwest Health Plan** (**MID**)
- **Molina Healthcare of Michigan** (**MOL**)
- **OmniCare Health Plan** (**OCH**)
- **Physicians Health Plan of Mid-Michigan Family Care** (**PMD**)
- **Physicians Health Plan of Southwest Michigan** (**PSW**)
- **Priority Health Government Programs, Inc.** (**PRI**)
- **Total Health Care, Inc.** (**THC**)
- **Upper Peninsula Health Plan** (**UPP**)

Two federally mandated EQR activities were performed by Health Services Advisory Group, Inc. (HSAG), the external quality review organization (EQRO) for MDCH. These were validation of performance measures and validation of performance improvement projects (PIPs). One mandatory activity was performed by MDCH: MHP compliance with federal Medicaid managed care regulations, which included on-site reviews and evaluations of MHP annual quality improvement plans (QIPs). In addition, one optional activity, a CAHPS survey, was also conducted.

This report provides:

- A description of how data from these activities were aggregated and analyzed, and how conclusions were drawn as to the quality, timeliness, and access to care furnished by the MHPs.
- A summary of findings from the EQR-related and QI activities.
- An assessment of each MHP's strengths and weaknesses with respect to provision of health care services to Medicaid recipients.
- Recommendations for improving the quality of health care services provided by the MHPs.

In Section 4, results of the EQR activities are presented across the 15 MHPs and, where possible, compared to national benchmarks and statewide performance. Common areas of strengths and opportunities for improvement are also noted. A summary of MHP-specific findings based on these processes is contained in the appendices of this report.

This report meets the federal requirement for the preparation of an annual EQR report, as set forth in the Balanced Budget Act (BBA) of 1997 (Public Law 105-33) and federal regulations at 42 CFR 438.364.

Key Findings for EQRO Activities

Validation of Performance Measures

MDCH, in compliance with 42 CFR 438.240, requires each MHP to calculate and report its performance by using standard measures. MDCH opted to use HEDIS measures to satisfy the CMS protocol. To ensure compliance, MDCH required each MHP to undergo an NCQA HEDIS Compliance Audit, conducted by an NCQA-licensed audit organization and led by a certified HEDIS compliance auditor. The primary objectives of the validation process were to:

1. Evaluate the accuracy of the performance measures reported by the MHPs.
2. Determine the extent to which the specific performance measures calculated by the MHPs followed the HEDIS specifications.

HSAG evaluated the results of the NCQA HEDIS Compliance Audit process to determine the validation findings for all reported performance measures.

The NCQA HEDIS Compliance Audit conducted for each of Michigan MHPs found compliance in all areas evaluated. From the review of each health plan's Final Audit Reports and Data Submission Tools (DSTs), HSAG determined whether or not there were significant audit issues that commonly occurred among Michigan MHPs. A comprehensive systemic review of the 2004 Michigan Medicaid HEDIS audit reports indicated that, overall, the MHPs had no major process issues that impacted HEDIS reporting. None of the health plans had issues related to information systems capabilities that severely affected the HEDIS results or led to a *Not Report* audit designation. In fact, every performance measure that was calculated and reported by each MHP was determined to be valid and compliant with HEDIS specifications.

In terms of overall Michigan MHP performance on the HEDIS measures, generally favorable results were observed. Thirty-nine percent (or 12 of 31) of the Michigan Medicaid weighted averages were above the NCQA 2003 national Medicaid 50th percentile. Table 1-1 shows the Michigan 2004 weighted average for all key performance measures required by MDCH, compared to the NCQA 2003 national Medicaid 50th percentile.

Table 1-1—Michigan Medicaid HEDIS 2004 Weighted Averages Compared to NCQA 2003 National Medicaid 50th Percentile

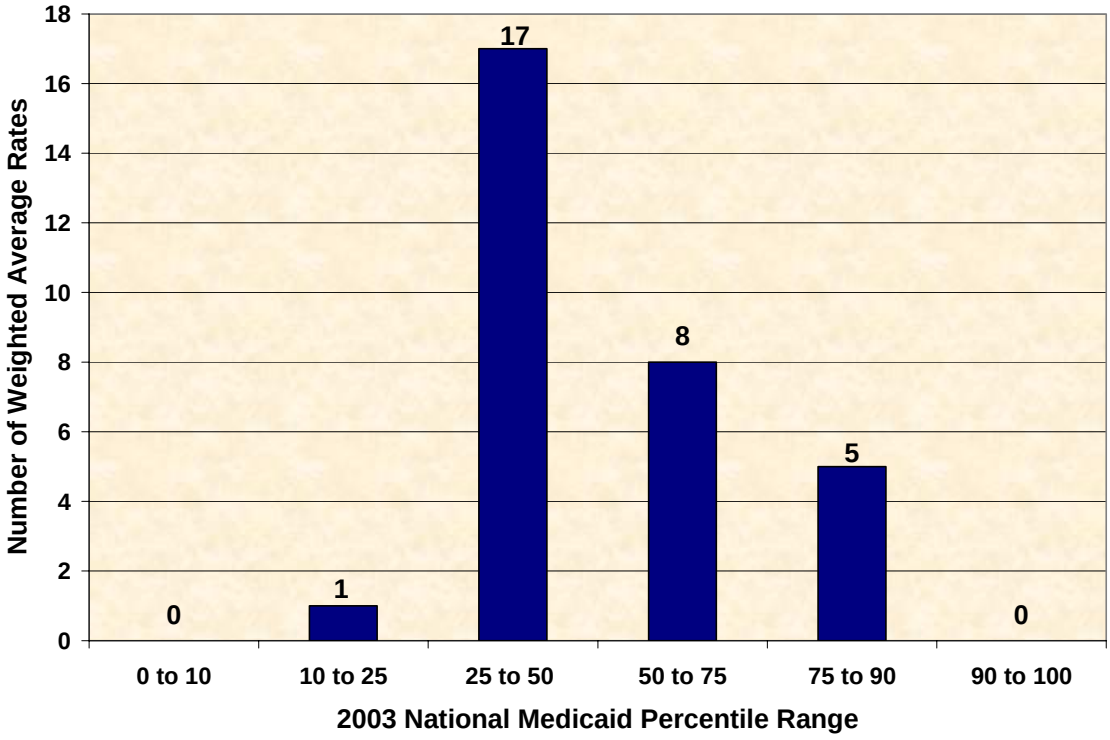
Key Measures	2004 Michigan Medicaid Weighted Average	2003 National HEDIS Medicaid 50th Percentile	Michigan Weighted Average Compared to National HEDIS Medicaid 50th Percentile
Childhood Immunization Combo 1	70.4%	59.6%	↑
Childhood Immunization Combo 2	67.4%	55.6%	↑
Adolescent Immunization Combo 1	51.0%	40.9%	↑
Adolescent Immunization Combo 2	34.5%	20.8%	↑
Well-Child 1st 15 Mos, 0 Visits	4.2%	3.2%	▼
Well-Child 1st 15 Mos, 6+ Visits	36.8%	43.0%	↓
Well-Child 3rd-6th Years of Life	55.3%	59.7%	↓
Adolescent Well-Care Visits	34.2%	36.2%	↓
Breast Cancer Screening	54.6%	55.8%	↓
Cervical Cancer Screening	62.6%	61.7%	↑
Chlamydia Screening, 16-20 Years	48.2%	40.2%	↑
Chlamydia Screening, 21-26 Years	53.8%	42.3%	↑
Chlamydia Screening, Combined	50.9%	41.7%	↑
Timeliness of Prenatal Care	71.5%	74.1%	↓
Postpartum Care	44.9%	55.0%	↓
Diabetes Care HbA1c Testing	74.0%	77.3%	↓
Diabetes Care Poor HbA1c Control	51.2%	47.0%	▼
Diabetes Care Eye Exam	42.3%	49.2%	↓
Diabetes Care LDL-C Screen	74.6%	74.4%	↑
Diabetes Care LDL-C Level <130	48.6%	45.7%	↑
Diabetes Care LDL-C Level <100	29.1%	- -	- -
Diabetes Care Nephropathy	40.7%	48.7%	↓
Asthma 5-9 Years	61.0%	61.8%	↓
Asthma 10-17 Years	62.5%	63.0%	↓
Asthma 18-56 Years	69.5%	65.3%	↑
Asthma Combined Rate	65.5%	63.7%	↑
Controlling High Blood Pressure	53.9%	54.5%	↓
Children's Access 12-24 Months	91.5%	93.5%	↓
Children's Access 25 Mos-6 Years	78.0%	83.3%	↓
Children's Access 7-11 Years	76.7%	82.6%	↓
Children's Access 12-19 Years	74.7%	- -	- -
Adults' Access 20-44 Years	75.0%	77.6%	↓
Adults' Access 45-64 Years	82.6%	84.0%	↓

Notes

↑ = The Michigan weighted average was higher than the National HEDIS Medicaid 50th percentile.
↓ = The Michigan weighted average was lower than the National HEDIS Medicaid 50th percentile.
▼ = An increase in the rate. For these two indicators, *lower* rates indicate *better* care.
-- = Data were not available.

Michigan MHP performance compared with national benchmarks is encouraging, as illustrated in Figure 1-1. The columns represent the number of Michigan Medicaid weighted averages falling into the percentile grouping listed on the horizontal axis. The weighted average for only one performance measure (*Prenatal and Postpartum Care—Postpartum Care*) fell between the NCQA National Medicaid 10th and 25th percentiles. The majority of the weighted averages fell between the 25th and 50th percentiles. However, a good number also fell between the 50th and 75th percentiles, as well as the 75th and 90th percentiles.

Figure 1-1—Michigan Medicaid HEDIS 2004
Weighted Averages Compared to National Medicaid Benchmarks



One-third of the MHPs demonstrated high or excellent performance across all dimensions of care, a very positive finding for the Michigan Medicaid program. This finding suggests that quality improvement efforts are spread across the entire spectrum of care, from prevention services to chronic care. Slightly less than one-third of the MHPs demonstrated poor performance across all dimensions of care, with the remaining one-third within the average range. It should be noted, however, that even the poor performers met or exceeded the MDCH-established High Performance Level (HPL) for a given measure in many cases.

Validation of Performance Improvement Projects

The purpose of PIPs is to assess and improve processes and, thereby, outcomes of care. In order for such projects to achieve real improvements in care, and for interested parties to have confidence in the reported improvements, the projects must be designed, conducted, and reported in a methodologically sound manner.

Eight MHPs conducted PIPs that were validated as part of the 2004–2005 EQR. Six MHPs achieved *Met* validation status with overall scores of 90 percent or higher, establishing high confidence in the reported results. One MHP received a validation finding of *Partially Met*, with an overall score of 67 percent, indicating low confidence in the overall PIP results. Finally, one MHP's PIP was determined to be *Not Met*, with an overall score of zero, indicating that the PIP was considered not valid.

Seven MHPs were considered by MDCH to have produced valid PIPs, based on MDCH-defined criteria that were consistent with the PIP validation protocol.

Table 1-2—Michigan MHP PIP Validation Status

Validation Status	Number of MHPs
Met	13
Partially Met	1
Not Met	1

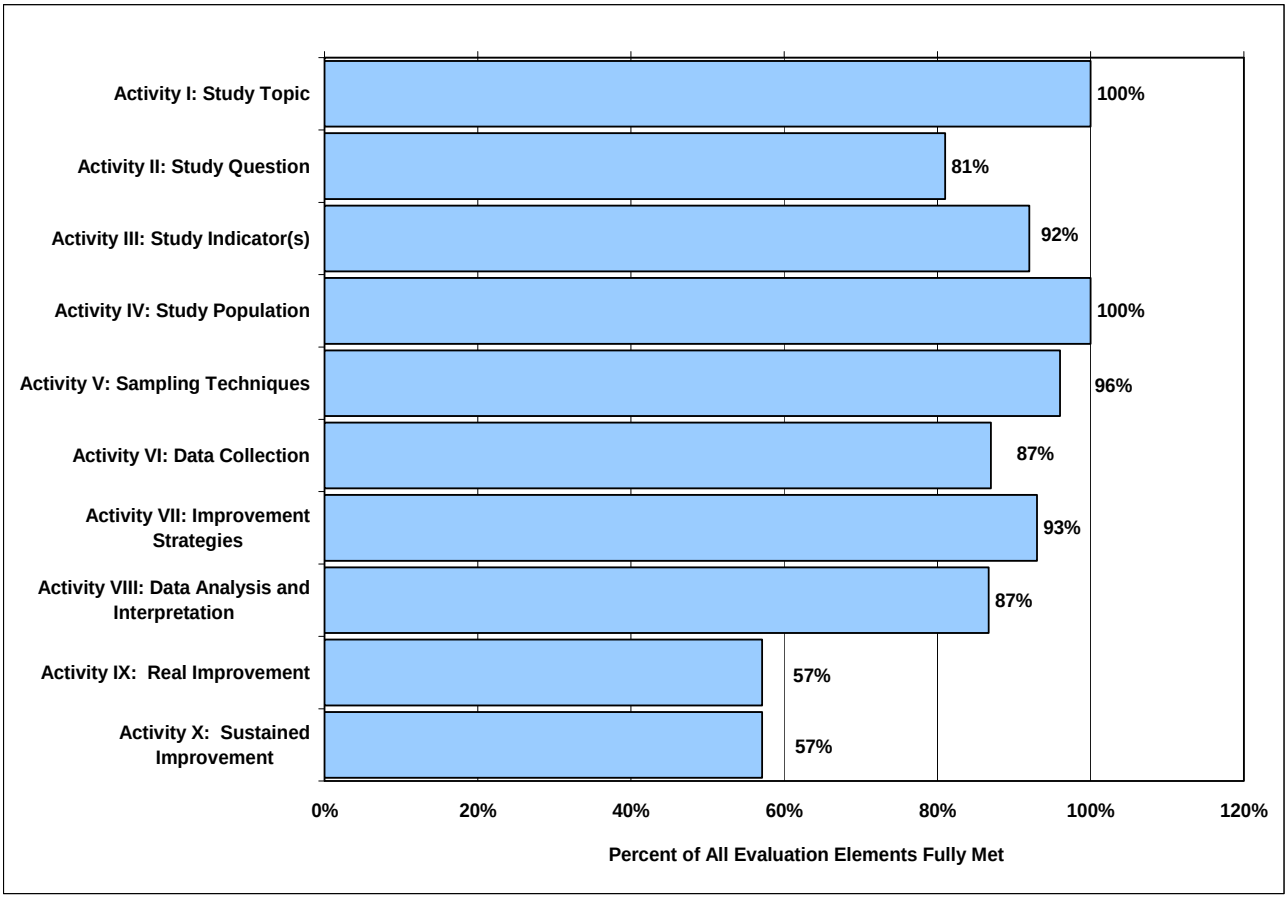
These findings indicate that the Michigan MHPs have established a strong framework for conducting PIPs that are compliant with CMS protocols. Thirteen of the MHPs were given a *Met* PIP validation status, with overall scores ranging from 90 percent to 100 percent. One of the MHPs was given a validation status of *Partially Met*, and only one received a *Not Met* validation status.

The following findings address only those PIPs that were validated by HSAG (N = 8).

Figure 1-2 shows the percentage of all evaluation elements that were fully *Met* across all MHPs.

- Higher performance across all MHPs was observed in the areas of:
  - Activity I: Appropriate Study Topic (100 percent)
  - Activity III: Clearly Defined Study Indicator (92 percent)
  - Activity IV: Correctly Identified Study Population (100 percent)
  - Activity V: Valid Sampling Techniques (96 percent)
  - Activity VII: Appropriate Improvement Strategies (93 percent)
- Average performance was noted in the areas of:
  - Activity II: Clearly Defined, Answerable Study Question (81 percent)
  - Activity VI: Accurate/Complete Data Collection (87 percent)
  - Activity VIII: Sufficient Data Analysis and Interpretation (87 percent)
- Below-average performance was observed in the areas of:
  - Activity IX: Real Improvement Achieved (57 percent)
  - Activity X: Sustained Improvement Achieved (57 percent)

Figure 1-2—Percentage of All PIP Evaluation Elements Fully Met



The 10 PIP protocol activities are further broken down into 13 critical elements. These elements have been designated by HSAG as "critical" for producing valid and reliable results and for demonstrating confidence in the PIP findings. If one or more critical elements were *Not Met*, the PIP was given a validation score of *Not Met.* Table 1-3 provides a summary of the number of PIPs that *Met* the critical elements. All MHPs fully met seven of the 13 critical elements. One MHP did not meet the critical element surrounding the study question, and two MHPs did not meet two of the three critical elements surrounding clearly defined study indicators.

Table 1-3—Numbers of PIPs That *Met* All Critical Elements			
Activity	**Critical Elements**	**# PIPs**	**Percentage**
Activity I: Appropriate Study Topic	6. Has the potential to affect member health, functional status, or satisfaction.	15/15	100%
Activity II: Clearly Defined, Answerable Study Question	2. Is answerable/provable	14/15	93%
Activity III: Clearly Defined Study Indicator(s)	1. Are well-defined, objective, and measurable.	13/15	87%
	3. Allow for the study questions or hypothesis to be answered or proven.	13/15	87%
	5. Have available data that can be collected on each indicator.	13/15	87%
Activity IV: Correctly Identified Study Population	1. Is accurately and completely defined.	15/15	100%
	3. Captures all members to whom the study question applies.	15/15	100%
Activity V: Valid Sampling Techniques	5. Ensure a representative sample of the eligible population.	15/15	100%
Activity VI: Accurate/Complete Data Collection	6. A manual data collection tool that ensures consistent and accurate collection of data according to indicator specifications.	13/13	100%
Activity VIII: Sufficient Data Analysis and Interpretation	1. Is conducted according to the data analysis plan in the study design.	15/15	100%
	2. Allows for generalization of the results to the study population if a sample was selected.	15/15	100%

MHP Compliance with Federal Medicaid Managed Care Regulations

On-Site Reviews

MDCH conducted on-site reviews to evaluate the 15 contracted MHPs' compliance with the Medicaid contract. A survey tool was used for the review that contained a total of 54 standards representing criteria in six core performance areas: Administrative, Provider, Member, Quality Assurance/Utilization Review, MIS/Data Reporting/Claims Processing and Fraud and Abuse. MHPs were assigned a score for each standard based on the results of the review, past performance, or accreditation status. See Section 3 for more details regarding the on-site review methodology. Table 1-4 contains a summary of the 2004 on-site review results by MHP for all core areas. The summary was compiled from site review reports for each of the 15 MHPs, as provided to HSAG by MDCH.

Table 1-4—Michigan MHPs
2004 On-Site Review Results

MHP	Pass	Fail	Incomplete	Not Reviewed	Deemed Status	*Compliance Percentage
CAP	34	0	0	13	7	100%
CCM	37.2	1	4	5.2	6.6	88%
GLH	34.3	0	4	9.7	6	90%
HPM	36	0	4	12	2	90%
HPP	30	0	7	9	8	81%
MCD	28.9	0	4	14	7.1	88%
MCL	28	0	5	14	7	85%
MID	31	0	8	8	7	79%
MOL	31.3	1	8	11	2.7	78%
OCH	28	0	2	17	7	93%
PMD	30.1	0	7	11	5.9	81%
PSW	27.8	0	6	14.5	5.7	82%
PRI	30	0	2	15	7	94%
THC	36.5	1	1	11.8	3.7	95%
UPP	33.5	0	5	11.7	3.8	87%
High	**37.2**	**1**	**8**	**15**	**8**	**100%**
Low	**27.8**	**0**	**1**	**5.2**	**2**	**78%**
Average	**31.8**	**0.2**	**4.5**	**11.8**	**5.8**	**87%**

***** Compliance Percentage is the percentage of standards reviewed that received a "Pass" score. Standards not reviewed or assigned deemed status were not included in the calculation.

A total of six MHPs demonstrated strong performance in the criteria reviewed, with a "Pass" score of 90 percent or greater. Four MHPs showed results at or near the average of 87 percent and the results for five MHPs indicated below-average performance in comparison to the other MHPs. There were variations in the number of standards not reviewed or given deemed status, but in all cases the majority of the tool standards were reviewed during the on-site process.

Opportunities for improvement, reflecting the number of standards that did not receive a passing score, are shown by MHP in Table 1-5. The standards are grouped by the six core areas contained in the on-site survey tool. MHPs were required to submit corrective action plans to MDCH for each of these standards, addressing the specific criteria that did not meet contractual obligations.

Table 1-5—Michigan MHPs
2004 On-Site Review Results—Opportunities for Improvement*

MHP	Administrative	Provider	Member	Quality Assurance/ Utilization Review	MIS/Data Reporting/ Claims Processing	Fraud and Abuse
CAP						
CCM		1			1/**1**	2
GLH	1	1				2
HPM		3				1
HPP		2	1		2	2
MCD			2		2	
MCL		1	1			3
MID		2	1	1	1	3
MOL		3/**1**			1	4
OCH		1				1
PMD		1		1	1	4
PSW				1		5
PRI						2
THC		1			**1**	
UPP		1	1			3
Total	**1**	**18**	**6**	**3**	**10**	**32**

* Figures represent the number of standards that did not receive a "Pass" score. Those shown in red denote a "Fail" Score.

The results show that Administrative standards, with only one exception, were met by all MHPs. Conversely, the majority of improvement opportunities were in three core areas: Fraud and Abuse, Provider, and MIS/Data Reporting/Claims Processing. Most of the MHPs received "Incomplete" scores on one or more Fraud and Abuse criteria. Nearly half of all noncompliant criteria were from this core area. (It should be noted that this was the first year that the MHPs were scored on Fraud and Abuse requirements.) Only three "Fail" scores were received across 15 MHPs—two in MIS/Data Reporting/Claims Processing, and one in the Provider area.

Consumer Assessment of Health Plans

Table 1-6 shows 2004 overall member satisfaction ratings for the four global CAHPS measures: Rating of Personal Doctor, Rating of Specialist, Rating of All Health Care, and Rating of Health Plan. The results are presented on a three-point scale, with higher scores indicating higher levels of satisfaction. To facilitate plan comparisons, results that fell below the national 25th percentiles are displayed in red font.

Table 1-6—Michigan Medicaid CAHPS Global Ratings (3-Point Mean)

	Rating of Personal Doctor	Rating of Specialist	Rating of All Health Care	Rating of Health Plan
CAP	2.38	2.42	2.28	2.09
CCM	2.34	2.37	2.25	2.09
GLH	2.36	2.38	2.29	2.10
HPM	2.31	2.45	2.16	1.98
HPP	2.36	2.50	2.23	2.22
MCD	2.40	2.36	2.32	2.26
MCL	2.48	2.49	2.38	2.25
MID	2.37	2.35	2.31	2.20
MOL	2.30	2.38	2.21	2.00
OCH	2.51	2.47	2.30	2.24
PMD	2.39	2.50	2.29	2.21
PSW	2.43	2.41	2.27	2.21
PRI	2.42	2.33	2.27	2.22
THC	2.36	2.46	2.25	2.14
UPP	2.44	2.44	2.32	2.06
NCQA 25th %	2.37	2.39	2.23	2.22

Table 1-7 shows 2004 member satisfaction ratings for the five CAHPS composite scores: Getting Needed Care, Getting Care Quickly, How Well Doctors Communicate, Courteous and Helpful Office Staff, and Customer Service. To facilitate plan comparisons, results that fell below the national 25th percentiles are displayed in red font. For the Medicaid product line, a minimum of 100 responses for the composite scores was required in order to be reported as CAHPS survey results. Composite scores that did not meet the minimum number of responses are denoted as *Not Applicable* (*NA*).

Table 1-7—Michigan Medicaid CAHPS Composite Scores (3-Point Mean)

	Getting Needed Care	Getting Care Quickly	How Well Doctors Communicate	Courteous and Helpful Office Staff	Customer Service
CAP	2.52	2.17	2.41	2.53	NA
CCM	2.52	2.10	2.40	2.48	NA
GLH	2.47	2.11	2.39	2.49	NA
HPM	2.43	2.17	2.33	2.46	NA
HPP	2.58	2.10	2.30	2.42	NA
MCD	2.62	2.22	2.47	2.55	2.48
MCL	2.61	2.24	2.47	2.55	NA
MID	2.51	2.10	2.46	2.45	NA
MOL	2.44	2.18	2.38	2.51	NA
OCH	2.51	2.01	2.47	2.47	NA
PMD	2.52	2.15	2.45	2.52	2.52
PSW	2.57	2.13	2.40	2.50	NA
PRI	2.63	2.19	2.42	2.52	2.57
THC	2.49	2.09	2.39	2.45	NA
UPP	2.59	2.24	2.49	2.59	2.45
NCQA 25th %	2.52	2.11	2.41	2.51	2.44

Conclusions and Recommendations

A summary of strengths and opportunities for improvement for each of the MHPs is included in the appendices, and full details are provided in the plan-specific reports. This section provides an overview of conclusions drawn and recommendations offered across the Michigan MHPs.

Validation of Performance Measures

The Michigan MHPs are able to calculate and report accurate performance measures that comply with HEDIS specifications. Performance data are collected accurately from a wide variety of sources, including claims/encounters, immunization registries, disease registries, medical records, automated laboratory data, and other internally built administrative databases.

Performance levels for the HEDIS measures showed opportunities for improvement for all of the MHPs, with some plans in greater need for substantial improvements than others. Each plan should examine the performance-level findings and identify the areas in which targeted efforts will make efficient use of resources and result in measurable improvements in quality.

MDCH has an incentive program in place that provides financial rewards for meeting certain standards of performance based on HEDIS data. MDCH should periodically re-evaluate this program to ensure that the program goals are met. Disincentives for poor performance could be considered. In addition, MDCH should consider convening a small workgroup that includes MHP participants to discuss which incentives/disincentives can be the most effective in improving MHP performance.

Validation of Performance Improvement Projects

Most MHPs have established a strong framework for conducting PIPs. Out of 15 MHPs, only one PIP received a validation finding of *Not Valid*. Most PIP scores were also high, with a large majority above 90 percent. Above-average performance was observed in the PIP protocol activities related to appropriate study topics, correctly identified study population, valid sampling techniques, and improvement strategies.

The most challenging area in terms of compliance with CMS protocol is meeting the real improvement criteria, and achieving sustained improvement. Of the eight PIPs that were validated by HSAG, these activities were fully met 57 percent of the time. Although some of the *Not Met* or *Partially Met* findings may be due to insufficient documentation, it is more likely that real and sustained improvement was not achieved.

For future PIPs, the MHPs should ensure that all evaluation elements identified in the PIP evaluation tool are clearly documented. The evaluation findings from this current year's PIP validation activity should be carefully reviewed by MHP staff to ensure that future PIP submissions contain all the necessary documentation. Improvement efforts should be focused on meeting the two activities that were most challenging for the MHPs (real improvement and sustained improvement),

to ensure compliance. In addition, if an MHP is unable to achieve real and/or sustained improvement, the PIP study topic, purpose, and question should be re-evaluated. It is possible that by not achieving sustained improvement, the study question has been answered, and the PIP should be seriously scrutinized to determine if the improvement efforts should be continued.

MHP Compliance with Federal Medicaid Managed Care Regulations

On-Site Reviews

The Site Visit Reports for the 15 MHPs included comprehensive findings based on a review protocol and survey tool developed by MDCH. Findings were specific, appropriate to the standard being reviewed, and of sufficient detail to support the score as assigned. The reports were organized in an easy to follow format.

MDCH plans to convene a committee to review/revise its MHP on-site review process and tools. HSAG recommends that MDCH ensure that its review process comply with federal regulations at 42 CFR 438.358 and the BBA protocols for monitoring MCOs and PIHPs, including the reporting of strengths and opportunities for improvement. Also, it is recommended that MDCH compare tool standards (and contract provisions) to BBA requirements and align criteria where appropriate. To assist in comparative analysis, it would be helpful for MDCH to develop a system for scoring the results of on-site reviews. Also, the number of standard elements or substandards scored for each MHP should remain consistent.

Based on review of the on-site reports, common findings and trends were identified. MDCH may consider addressing some of these areas on a statewide level, using workgroups, standard protocols, or other means to share resources. In addition, MHPs that showed strong performance in a particular area could be asked to provide best practice ideas to other MHPs. The one area that clearly could benefit from a statewide focus is Fraud and Abuse. Only three MHPs received passing scores on all of the Fraud and Abuse criteria. In addition, Provider and MIS/Data Reporting/Claims Processing standards should be examined to identify opportunities where collaborative efforts would be beneficial.

QIP Evaluation

The QIP Evaluations and Work Plans submitted by the MHPs to MDCH varied substantially in terms of scope, organization, and level of detail. Clearly, much effort was expended to produce these documents. Developing standardized templates to assist MHPs in conducting annual QIP Evaluations and Work Plans as efficiently and effectively as possible might further leverage the resources available. Templates would help ensure that each plan addresses the areas deemed most critical by MCDH, and assist in identifying global issues, resources, and best practices that might exist across plans. Standardization, as part of an overall strategy to align MHP practices, would also maximize MDCH resources throughout the review and evaluation process.

Consumer Assessment of Health Plans

Ten of 15 MHPs fell below the national 25th percentile for the global overall rating of the Health Plan measure. At the member level, this rating is principally driven by members' perceptions of both the health plan and physician office operations. Health plan operations are defined as those services provided by the health plan directly, including distribution of information about the plan, customer service, and identification of a provider. Physician office operations cover all activities that take place in physician offices, including scheduling of routine appointments, obtaining interpreters, and members' satisfaction with their physicians. To improve the Overall Rating of Health Plan, QI activities should target both health plan and physician office operations.

Eight MHPs fell below the national 25th percentile for the Courteous and Helpful Office Staff measure. At the member level, face-to-face interactions with the office staff are the primary drivers of this composite score. Key issues include perceptions of the courtesy and respect shown by the office staff, and the level of helpfulness offered when making appointments and receiving care. Some potential sources of office staff interaction issues are physical barriers, greeting and departure practices, and resources to assist with procedures. To improve members' satisfaction with office staff courtesy and helpfulness, QI activities should focus on raising the awareness of staff members about the impact of courtesy and helpfulness on members' experiences, and additional staff training to develop and strengthen skills. Activities might also include troubleshooting with members, suggestion boxes, and a member-initiated reward or recognition system.

A four-step process, explained in Section 4, was suggested to maximize the effectiveness of QI activities directed at opportunities for improvement indicated by the CAHPS findings.

2. Introduction

Purpose

The BBA requires states to prepare an annual report that describes the manner in which data from activities conducted in accordance with CFR 438.358 were aggregated and analyzed, along with conclusions drawn as to the quality, timeliness, and access to care furnished by their MCOs and PIHPs. MDCH opted to meet this requirement by contracting with HSAG for external quality review. By producing and delivering this *2004–2005 External Quality Review Technical Report for Medicaid Health Plans*, HSAG has complied with 42 CFR 438.364 regarding EQR-related activities for MHPs contracted with MDCH. MHPs are the entities responsible for providing physical health services to eligible Medicaid recipients in Michigan.

Scope

This report provides results from two mandatory EQR activities performed by HSAG: validation of performance measures and validation of PIPs. One mandatory activity was performed by MDCH: MHP compliance with federal Medicaid managed care regulations. MHP compliance monitoring was conducted by on-site reviews and QIP evaluations. In addition, MDCH required a CAHPS survey for each of the MHPs. The results of this optional activity are also evaluated in this report. These activities serve as a measurement of the quality of outcomes, timeliness, and access to services provided to Michigan Medicaid recipients.

For each of the EQR activities, the report describes the objectives, technical methods of data collection and analysis, description of data obtained, and conclusions drawn from the data. The data were aggregated and analyzed for all 15 MDCH-contracted MHPs. An assessment of each MHP's strengths and weaknesses with respect to the provision of health care services furnished to Medicaid recipients is provided, along with recommendations for improving the quality of these services. Detailed information can be found in the individual MHP HEDIS and CAHPS reports, the plan-specific HEDIS and PIP reports prepared by HSAG, and the reports that documented MDCH's on-site reviews of the MHPs.

This is the first EQR Technical Report for MHPs prepared by HSAG for MDCH; therefore, the 42 CFR 438.364(A)(5) requirement to assess the degree to which MHPs have effectively addressed the recommendations for quality improvement during the previous year's EQR cannot be completed at this time. Such an analysis will be a part of future reports.

Organization of Report

In addition to the Executive Summary and this Introduction, the report fulfills its objectives in the three subsequent sections described below:

- **Section 3: External Quality Review Activities** presents the objectives and technical methods of data collection and analysis that were completed for each of the three mandatory activities: validation of performance measures, validation of PIPs, and compliance monitoring. In addition, the results of one optional activity, the CAHPS survey, are also described. The objectives and methodology for each review activity were consistent across the MHPs.
- **Section 4: Comparative Information** examines the overall results of the four activities across the 15 MHPs. Based on this analysis, strengths and opportunities for improvement for the Medicaid managed care program as a whole are identified, and recommendations for continued quality improvement are offered.
- **Appendices: MHP-Specific Findings** appendices summarize the results, conclusions, and key recommendations for activities conducted for each of the 15 MHPs. Strengths and opportunities for improvement related to the overall performance of each MHP are discussed.

Introduction

The BBA requires states that contract with MCOs or MHPs to develop a quality assessment and performance improvement (QAPI) strategy to ensure the delivery of quality health care by all MCOs and MHPs in accordance with the standards established by CMS. States must, at least annually, conduct external reviews of each MHP's QAPI program, including its performance on standard measures and results of PIPs. HSAG, as the EQRO for MDCH, performed a validation of performance measures and PIPs for each of the MHPs. For the other mandatory activity, compliance monitoring, MDCH opted to perform the evaluations of MHP performance. Since HSAG did not conduct compliance monitoring activities for MDCH, this document reports on the State's activities to ensure MHP compliance with federal Medicaid managed care regulations (MHP compliance). Included in the MHP compliance discussions in this report are the results of MDCH's on-site reviews of its MHPs.

As part of its contractual responsibilities to MDCH, each MHP was required to submit a QIP annual evaluation to MDCH. When applicable to the MHP compliance activities, these evaluations are discussed in this report.

This section of the report describes the objectives and methodology for each of the three EQR-related mandatory activities and one optional activity. The review period for each activity was:

- Validation of Performance Measures—January 1, 2003, to December 31, 2003.
- Validation of Performance Improvement Projects—January 1, 1999, to December 31, 2003.
- MHP Compliance.
  - On-site reviews—October 1, 2003, to September 30, 2004.
  - QIP annual evaluation—January 2003 to December 2003, with work plans for CY 2004.
- CAHPS survey—January 1, 2003, to December 31, 2003.

The technical methods of data collection and analysis were the same across the MHPs. All EQR-related activities were performed by HSAG between October 2004 and August 2005. At the conclusion of these activities, analysis of the results was conducted. The findings of this analysis make up this report and are written in a format consistent with protocols to assess compliance with BBA standards, as contained in the *Federal Register* dated June 14, 2002.

Validation of Performance Measures

MDCH, in compliance with 42 CFR 438.240, requires each MHP to calculate and report its performance by using standard measures. MDCH opted to use the NCQA HEDIS measures to satisfy the CMS protocol. Developed and maintained by the NCQA, HEDIS is a set of performance data broadly accepted in the managed care environment as an industry standard. MDCH identified the calendar year 2003 (reporting year 2004) as the measurement period for validation. The validation of performance measures is one of the three mandatory EQR-related activities that the BBA requires (42 CFR 438.358). To ensure compliance, MDCH required each MHP to undergo an NCQA HEDIS Compliance Audit, conducted by an NCQA licensed audit organization and led by a certified HEDIS compliance auditor.

Objectives

The primary objectives of the validation process were to:

1. Evaluate the accuracy of the performance measures reported by the MHPs.
2. Determine the extent of which the specific performance measures calculated by the MHPs followed the HEDIS specifications.

To meet the two primary objectives of the validation activity, a measure-specific review of all reported measures was performed, as well as a thorough information system evaluation to assess each MHP's support systems available to report accurate HEDIS measures.

Methodology

Each MHP underwent an NCQA HEDIS Compliance Audit conducted by an audit firm of its choice. The following is a description of the audit process according to NCQA protocol.

The validation team consisted of two individuals selected for their various skill sets, including statistics, analysis, managed care operations, performance measure reporting, information systems assessments, and computer programming capabilities. The NCQA HEDIS Compliance Audit was conducted in compliance with NCQA's *2004 HEDIS Compliance Audit: Standards, Policies, and Procedures,* Volume 5. NCQA's HEDIS Compliance Audit is consistent with the CMS protocols for validation of performance measures. The following key types of data were collected and reviewed as part of the validation process:

- **NCQA's Baseline Assessment Tool (BAT),** provided HSAG with background information on the MHP policies, processes, and data in preparation for the on-site validation activities. MHPs were required to complete the BAT to provide the audit team with the necessary information to begin review activities.
- **Source Code (Programming Language) for Performance Measures,** which was obtained from each MHP, was used to determine compliance with the performance measure definitions.
- **Performance Measure Reports,** which were prepared by the MHP, were reviewed along with previous performance measure reports to assess trending patterns and rate of reasonability.

- **Supportive Documentation,** which included any additional information needed by the auditors to complete the validation process. This included file layouts, system flow diagrams, system log files, and data collection process descriptions.

For each MHP, the same basic process was followed for performance measure validation conducted by each NCQA HEDIS Compliance Audit firm, and included:

- **Pre-Review Activities:** In addition to scheduling the on-site review and developing the agenda, HEDIS auditors used measure-specific worksheets that are required as part of the NCQA protocol. These worksheets were used to improve the efficiency of the validation work performed on-site. Additionally, each MHP was required to complete the BAT, and pre-on-site conference calls were held to follow up on any outstanding questions. The audit team conducted a review of the BAT and supportive documentation, including an evaluation of processes used for collecting, storing, validating, and reporting the performance measure data.
- **On-Site Review:** The on-site reviews, which typically lasted two days, included:
  - An opening conference.
  - An evaluation of system compliance focusing on the processing of claims and encounters and recipient and provider data.
  - An overview of data integration and control procedures, including discussion and observation of source code logic.
  - A review of how all data sources were combined and the method used to produce the analytical file for performance measures reporting.
  - Interviews with MHP staff involved with any aspect of the performance measure reporting.
  - A closing conference at which the audit team summarized preliminary findings and recommendations.
- **Validation Results:** Based on all validation activities, the audit team determined validation results for each performance measure. The audit team followed NCQA's HEDIS Compliance Audit protocol, which included an initial report of preliminary findings, review of the Data Submission Tool (DST), and submission of a final report. Through the audit process, each measure reported by an MHP was assigned an NCQA-defined audit designation. Measures could receive one of two predefined designations: Report or Not Report. An audit designation of Report indicated that the MHP complied with all HEDIS specifications to produce an unbiased, reportable rate or rates, which could be released for public reporting. An audit designation of Not Report indicated that the rate would not be publicly reported. A subset of the Report designation was the Not Applicable assignment to a rate. Although an MHP may have complied with all applicable specifications, the denominator identified may have been considered too small to report a rate (i.e., less than 30). The measure would have been assigned a Report designation with a Not Applicable rate.

Since each MHP selected its own HEDIS audit firm, HSAG ensured that the following criteria were met prior to accepting any validation results:

- An NCQA-licensed audit organization completed the audit.
- An NCQA-certified HEDIS compliance auditor led the audit.
- The audit scope included all MDCH-selected HEDIS measures.
- The audit scope focused on the Medicaid product line.
- Data were submitted via an auditor-locked NCQA DST.
- A Final Audit Opinion, signed by the lead auditor and responsible officer within the licensed organization, was produced.

Validation of Performance Improvement Projects

As part of its QAPI program, every MHP is required per 42 CFR 438.240 to conduct PIPs to achieve, through ongoing measurements and interventions, significant improvement, sustained over time in clinical care and nonclinical care areas. This structured method of assessing and improving the MHP processes is expected to have a favorable effect on health outcomes and member satisfaction. As part of their contract with MDCH, each MHP is required to conduct PIPs. For the validation of performance improvement activity, MDCH required each MHP to submit a completed PIP that had an established baseline result, with two remeasurements.

As one of the EQR-related activities mandated under the BBA, MDCH is required to validate the PIPs conducted by the MHPs. To meet this validation requirement, MDCH contracted with HSAG. The primary objective of the PIP validation was to determine each MHP's compliance with requirements set forth in 42 CFR 438.240(b)(1), including:

- Measurement of performance using objective quality indicators.
- Implementation of system interventions to achieve improvement in quality.
- Evaluation of the effectiveness of the interventions.
- Planning and initiation of activities for increasing or sustaining improvement.

Methodology

The validation team consisted of an analyst with expertise in statistics and study design, and a clinician with expertise in performance improvement. The methodology used for the validation of the PIPs was based on CMS guidelines as outlined in the CMS publication *Validating Performance Improvement Projects, A Protocol for Use in Conducting External Quality Review Activities*, Final Protocol, Version 1.0, May 1, 2002 (CMS PIP Protocol). Using these protocols, HSAG in collaboration with MDCH, developed the PIP Summary Form. This form was completed by each MHP and submitted to HSAG for review. The PIP Summary Form standardized the process for submitting information regarding the PIPs and assured that all CMS protocol requirements were addressed.

With MDCH approval and input, HSAG developed a PIP validation tool to ensure uniform assessment of the PIPs. HSAG reviewed each of the MHP's PIPs in terms of how well they complied with each of the following ten CMS protocol activities:

- Activity I: Appropriate Study Topic
- Activity II: Clearly Defined, Answerable Study Question
- Activity III: Clearly Defined Study Indicator(s)
- Activity IV: Correctly Identified Study Population
- Activity V: Valid Sampling Techniques (if sampling was used)
- Activity VI: Accurate/Complete Data Collection
- Activity VII: Appropriate Improvement Strategies
- Activity VIII: Sufficient Data Analysis and Interpretation
- Activity IX: Real Improvement Achieved
- Activity X: Sustained Improvement Achieved

The actual number of activities validated for each MHP varied for one MHP, because the PIP had not been completed as of the time of the validation (e.g., Activities VI–X were *Not Assessed*).

Each activity consisted of elements necessary for the successful completion of a valid PIP. The elements within each activity were scored by the HSAG review team as *Met*, *Partially Met*, *Not Met*, or *Not Applicable* (*NA*). To assure a valid and reliable review, some of the elements were designated "critical" elements by HSAG. These were elements that HSAG determined had to be *Met* in order for the MHP to produce an accurate and reliable PIP. Given the importance of critical elements to this scoring methodology, any critical element that received a *Not Met* status resulted in an overall validation rating for the PIP of *Not Met* and required future revisions and resubmission of the PIP to HSAG. An MHP would be given a *Partially Met* score if fewer than 80 percent of all elements were *Met* across all activities, or one or more critical elements were *Partially Met.*

The MHPs had an opportunity to resubmit revised PIP Summary Forms and additional information in response to any *Partially Met* or *Not Met* evaluation scores, regardless of whether the evaluation element was critical or noncritical. The resubmitted documents were evaluated and the PIPs rescored, if applicable.

HSAG followed the above methodology for validating the PIPs of eight MHPs in order to assess the degree to which the projects were designed, conducted, and reported in a methodologically sound manner. The following plans submitted PIPs to HSAG for evaluation:

- **Cape Health Plan**
- **Community Choice Michigan**
- **Great Lakes Health Plan**
- **Health Plan of Michigan, Inc.**
- **Molina Healthcare of Michigan**
- **Physicians Health Plan of Southwest Michigan**
- **Total Health Care, Inc.**
- **Upper Peninsula Health Plan**

The MDCH determined that the MHPs completed satisfactory PIPs consistent with the CMS protocol if all of the following criteria were *Met*:

- Commendable or excellent NCQA accreditation rating for the Medicaid product line
- Compliance with NCQA QI-11 clinical standard quality
- Plan-wide PIP with baseline measurement and two remeasurements

The following MHPs were considered to have *Met* all the PIP validation elements:

- **HealthPlus Partners, Inc.**
- **M-CAID**
- **McLaren Health Plan**
- **Midwest Health Plan**
- **OmniCare Health Plan**
- **Physicians Health Plan of Mid-Michigan Family Care**
- **Priority Health Government Programs, Inc.**

The PIP results included quantitative and qualitative data that resulted in a detailed description of the technical merit of each PIP. The data obtained allowed the formulation of criterion-referenced assessments of the degree of success for each project, as well as norm-referenced (i.e., comparative) assessments across MHPs.

See the individual MHP reports for more specific information on the methodology employed for the validation of the PIPs.

MHP Compliance with Federal Medicaid Managed Care Regulations

The MHPs have been evaluated by MDCH for compliance with the Medicaid contract since April 1999, using an on-site review process.

Objectives

Private accreditation organizations, state licensing and Medicaid agencies, and the federal Medicare program all recognize that having standards is the first step in promoting safe and effective health care; ensuring that the standards are followed is the second step. Per 42 CFR 438.358, the state or its EQRO must conduct a review within a three-year period to determine the MCO's or MHP's compliance with standards established by the state for access to care, structure and operations, and quality measurement and improvement. In order to meet this requirement, MDCH performed site reviews of its MHPs.

The objectives of the evaluation of MHP compliance with federal Medicaid managed care regulations were to identify any areas of noncompliance, and to assist the MHPs in developing plans of corrective action that were deemed acceptable to MDCH in terms of scope, content, and established timelines.

Methodology

MDCH was responsible for the activities that assessed MHP compliance with federal Medicaid managed care regulations in 2004. The Site Visit Survey Tool used to conduct these evaluations is reviewed annually by MDCH and updated as necessary to incorporate contract changes, and to clarify and consolidate criteria. This report reflects activities from the seventh cycle of site visits that included all 15 plans and took place from October 1, 2003, through September 30, 2004. Review criteria used by MDCH during the on-site visit included the following core areas:

- Administrative: Reviewed items related to the structure of the organization, and composition, function, and activities of the governing body (seven standards).
- Provider: Covered subcontracted and delegated functions, provisions for the scope of covered services, primary care providers, network adequacy, and provider relations (13 standards).
- Member: Assessed content and distribution of member materials, and processes for handling grievances, appeals, and State fair hearing requests (eight standards).

- Quality Assurance/Utilization Review: Addressed practice guidelines, the MHP QAPI program, access to care, the utilization management program, credentialing/recredentialing protocols, and programs for individuals with special health care needs (ten standards).
- MIS/Data Reporting/Claims Processing: Examined information system requirements, financial administrative reporting to MDCH, timeliness of payments, and management of enrollment data (six standards).
- Fraud and Abuse: Evaluated fraud and abuse policies and procedures, risk management methodology, claims auditing processes and utilization trending procedures (ten standards).

Many of the 54 standards in the tool had substandards or elements that, for the most part, were incorporated into a single score. For each standard reviewed, MHPs received a score based on the following rating scale:

- **Pass**, indicating compliance with all elements.
- **Fail**, reflecting lack of compliance with all or critical elements of the standard.
- **Incomplete**, denoting compliance with some, but not all, elements of the standard.
- **Not Reviewed**, indicating that the criterion was reviewed with a passing score at the previous visit, and a letter of attestation was received by MDCH from the plan indicating that there was no change of status.
- **Deemed Status**, showing that the review was deferred based on achievement of the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or NCQA accreditation.

In addition to the score, narrative findings from the site visit were provided. These findings served as a factual, comprehensive description of evidence used to support the score for each standard. Policy citations, data tables, and dated document references were examples of specific findings reports.

A corrective action plan was required by MDCH for all standards receiving a score of "Incomplete" or "Fail." At a minimum, the action plan must have included a description of each task/activity to be completed, the health plan staff person with lead responsibility, the target completion date, and the projected implementation date.

HSAG examined, compiled, and analyzed the review results, as contained in the site visit reports and findings, submitted by MDCH to the 15 MHPs. Also, the MHPs submit to MDCH an Annual QI Effectiveness report that addresses the previous year, and a work plan that addresses QI initiatives and projects for the upcoming year. These documents were used in the preparation of this report, when applicable. However, it should be noted that because the QIP evaluation documents generally covered an earlier time period than the site visit reports, each MHP could not always address the issues identified during the State's site visits. With some exceptions, HSAG's evaluation of the MHP's QIP annual evaluation documents will address global findings and recommendations. Comparative information describing results across the MHPs can be found in Section 4 of this report. In addition, a summary of MHP-specific findings based on this process is contained in the appendices.

Consumer Assessment of Health Plans

The CAHPS survey looks at key satisfaction drivers throughout the continuum of care, including health plan performance and the members' experiences in the physician's office.

Objectives

The CAHPS survey was administered to effectively and efficiently obtain information from members about their experiences accessing and receiving care. CAHPS survey results allowed health plans to identify areas in which consumer satisfaction could be improved by targeted intervention strategies and to facilitate plan-to-plan comparisons on important satisfaction measures. CAHPS scores allowed MDCH and the MHPs to better understand how well plans are meeting recipients' expectations and to formulate plans of corrective action to achieve improvements as needed. In addition, NCQA includes CAHPS results as part of the scoring algorithm in the accreditation process for managed care plans.

Methodology

MDCH required the administration of the CAHPS survey to all health plans serving Medicaid members in 2003. The standardized survey instrument selected was the CAHPS 3.0H Adult Medicaid Survey. This survey is a set of standardized instruments that assess patient perspectives on care. They were designed to capture accurate and complete information about consumer-reported experiences with health care, assessing topics such as quality of care provided, access to care, the communication skills of providers and administrative staff, and overall satisfaction with health plans. The sampling and data collection procedures promoted both the standardized administration of survey instruments and the comparability of the resulting health plan data. An NCQA-certified survey vendor administered the CAHPS surveys. Eligible adult members from each MHP who met the enrollment and age criteria during the calendar year completed the survey.

The survey questions were summarized by nine measures of satisfaction. These measures included four global ratings and five composite scores. The global ratings reflected overall satisfaction with Personal Doctor, Specialist, All Health Care, and Health Plan. The composite scores were derived from sets of questions grouped together to address different aspects of care: Getting Needed Care, Getting Care Quickly, How Well Doctors Communicate, Courteous and Helpful Office Staff, and Customer Service. When a minimum of 100 responses for an item was not received, the results of the measure were not applicable for reporting, resulting in a *Not Applicable* designation.

For each of the four global ratings, the percentage of respondents who chose the top satisfaction rating (response value of 9 or 10 on a scale of 0 to 10) was calculated. In addition, a three-point rating mean was calculated. Responses values of 0 through 6 were given a score of 1; 7 and 8 a score of 2; and 9 and 10 a score of 3. The three-point rating mean was the sum of the response scores (1, 2, or 3) divided by the total number of responses to the global rating question.

For each of the five composite scores, the percentage of respondents who chose a "top box" response was calculated. CAHPS questions used in composites were scaled in one of two ways:

- Never/Sometimes/Usually/Always
- Big Problem/Small Problem/Not a Problem

NCQA defined a "top box" response for these composites as a response of "Always" or "Not a Problem."

In addition, a three-point composite mean was calculated for each of the composite scores. In general, scoring was based on a three-point scale. Responses of "Always" and "Not a Problem" were given a score of 3, responses of "Usually" or "A Small Problem" were given a score of 2, and all other responses were given a score of 1. The three-point composite mean was the average of the mean score for each question included in the composite.

To facilitate plan-to-plan comparisons, the NCQA national percentile into which each global rating and composite score fell was identified, based on NCQA's CAHPS 3.0H Benchmarks.[1]

[1] National Committee for Quality Assurance. *HEDIS/CAHPS® 3.0H Benchmarks and Thresholds for Accreditation 2004.* Washington, DC: NCQA, February 18, 2004.

4. Comparative Information

Introduction

In this section of the report, the results of the three mandatory EQR activities—validation of performance measures, validation of PIPs, and MHP compliance monitoring (including on-site reviews and QIP evaluation)—and CAHPS are presented for the 15 MHPs and, where possible, compared to national benchmarks and statewide performance. Common areas of strength and opportunities for improvement are noted. Conclusions and recommendations are offered to support MDCH and the MHPs in continual quality improvement.

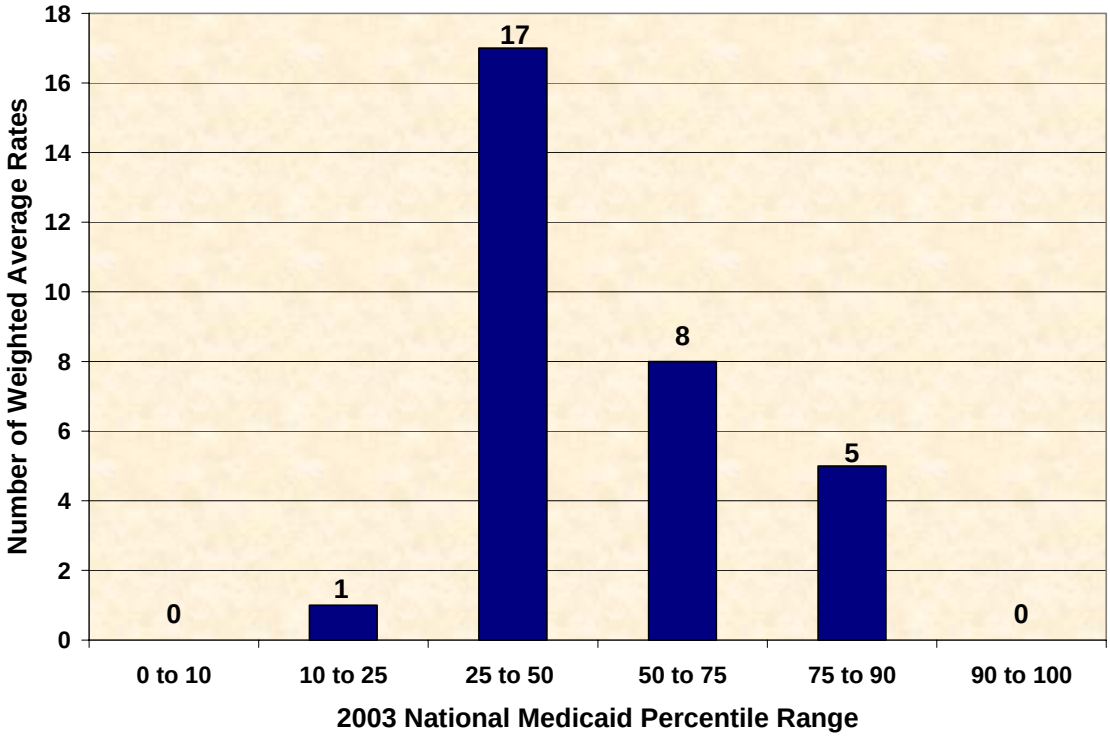
Comparative Analysis

Validation of Performance Measures

The NCQA HEDIS Compliance Audit conducted for each of the Michigan MHPs found compliance in all areas evaluated. From the review of each health plan's Final Audit Reports and Data Submission Tools (DSTs), HSAG determined whether or not there were significant audit issues that commonly occurred among Michigan MHPs. A comprehensive systemic review of the 2004 Michigan Medicaid HEDIS audit reports indicated that, overall, the MHPs had no major process issues related to HEDIS reporting. None of the health plans had issues related to information systems capabilities that severely affected the HEDIS results or led to a *Not Report* designation.

Michigan MHP performance compared with national benchmarks is also encouraging. Only one of the weighted averages across all reported measures fell between the NCQA National Medicaid 10th and the 25th percentiles *(Prenatal and Postpartum Care—Postpartum Care)*. The majority of the weighted averages fell between the 25th and 50th percentiles, however a good number also fell between the 50th and 75th percentiles, and the 75th and 90th.

Figure 4-1—Michigan Medicaid HEDIS 2004
MHP Performance Compared to National Medicaid Benchmarks



To compare MHP performance, HSAG analyzed the HEDIS results within and across the dimensions of care to identify the highest and lowest performing plans, compared with the 2003 NCQA national means and percentiles.

MHP Performance Within the Pediatric Care Dimension

Within the Pediatric Care dimension, **Priority Health Government Programs** (**PRI**) demonstrated exceptional performance, meeting or exceeding the NCQA National Medicaid 90th percentile for four of the eight measures. For both of the *Childhood Immunization Status* measures (*Combinations #1* and *#2*) and *Adolescent Immunization Status—Combination #2*, high performance was observed, as well as in the *Well-Child Visits in the First 15 Months of Life—Zero Visits* measure.

Poor performance was observed for one MHP (**OmniCare Health Plan**, or **OCH**), which performed at or below the NCQA National Medicaid 25th percentile in four of the eight measures within the Pediatric Care dimension. Weak performance was observed in *Adolescent Immunization Status—Combination #1* and *Combination #2*, and in the *Well-Child Visits in the First 15 Months of Life—Zero Visits* and *Six or More Visits* measures.

MHP Performance Within the Women's Care Dimension

Overall Michigan Medicaid performance within the Women's Care dimension was average; however, high performance was observed in one specific area. **Physicians Health Plan of Mid-Michigan Family Care** (**PMD**) met or exceeded the NCQA National Medicaid 90th percentile for all three *Chlamydia Screening in Women* age cohorts. No other patterns of strong performance was observed by a particular MHP across the Women's Care dimension.

Poor performance was observed for one MHP (**Midwest Health Plan**, or **MID**), which performed at or below the NCQA National Medicaid 25th percentile in four of the seven measures within the Women's Care dimension. Sub-par performance was noted for *Cervical Cancer Screening*, *Chlamydia Screening in Women—Ages 16 to 20 Years*, and *Prenatal and Postpartum Care—Timeliness of Prenatal Care*, and *Postpartum Care.*

MHP Performance Within the Living with Illness Dimension

Within the Living with Illness dimension, strong performance was observed by two MHPs, **M-CAID** (**MCD**) and **Upper Peninsula Health Plan** (**UPP**), each meeting or exceeding the NCQA National Medicaid 90th percentile for seven and eight measures, respectively. For both MHPs, exceptional performance was observed in several *Comprehensive Diabetic Care* measures, *Use of Appropriate Medication for People with Asthma* (all measures), and *Controlling High Blood Pressure*.

Several MHPs demonstrated weak performance in the Living with Illness dimension; however, one MHP (**OCH**) performed at or below the NCQA National Medicaid 25th percentile for eight of the 12 reported measures in the dimension. Weak performance was observed across most measures in the dimension for **OCH**, with the exception of *LDL-C Screening*, *LDL-C Level < 130mg/dL*, and *Use of Appropriate Medications for People with Asthma—Ages 18 to 56 Years*, in which average performance was noted.

MHP Performance Within the Access to Care Dimension

Overall, Michigan Medicaid performance within the Access to Care dimension was average, a common finding across Medicaid health plans nationwide. Two MHPs (**PRI** and **UPP**) reported results that met or exceeded the NCQA National Medicaid 90th percentile for two of the six measures within the Access to Care dimension.

Suboptimal performance was observed in the Access to Care dimension for two MHPs in particular. **OCH** and **Total Health Care, Inc.** (**THC**) reported rates that were at or below the NCQA National Medicaid 25th percentile for three of the six measures and five of the six measures within the dimension, respectively.

Overall MHP Performance

HSAG analyzed the HEDIS results across all dimensions of care to identify the overall exceptional performers. Excellent performance was defined as meeting or exceeding the NCQA National Medicaid 90th percentile for at least one measure across all four dimensions of care. High performance was defined as meeting or exceeding the NCQA National Medicaid 90th percentile for

at least one measure across at least three of the four dimensions of care. One MHP (**PRI**) was identified as demonstrating excellent performance, reporting a total of 12 measures across all four dimensions of care that met or exceeded the NCQA National Medicaid 90th percentile. Four MHPs demonstrated high performance, reporting at least one rate that met or exceeded the NCQA National Medicaid 90th percentile across three of the four dimensions.

UPP reported 11 rates, **PMD** reported 9, **HealthPlus Partners, Inc.** (**HPP**) reported 5, and **Physicians Health Plan of Southwest Michigan** (**PSW**) reported 4 rates that met this criteria.

Table 4-1—MHPs Demonstrating High or Excellent Performance Across All Dimensions of Care

Number of Reported Rates That Met or Exceeded the 90th Percentile					
	Pediatric Care	Women's Care	Living with Illness	Access to Care	Total
PRI	4	1	5	2	12
UPP	0	1	8	2	11
PMD	1	3	5	0	9
HPP	2	1	1	1	5
PSW	2	0	1	1	4

In addition, analysis was performed to identify low performance patterns. Low performance was defined as reporting one or more rates at or below the National Medicaid 25th percentile across at least three dimensions of care. Four MHPs met these criteria for low performance. Two MHPs—**Community Choice Michigan** (**CCM**) and **MID**—reported at least one rate below the National Medicaid 25th percentile for three out of the four dimensions of care. However, two additional MHPs (**OCH** and **THC**) reported at least one rate below the National Medicaid 25th percentile across all four dimensions of care. Table 4-2 illustrates the number of reported rates that were at or below the National Medicaid 25th percentile by dimension of care.

Table 4-2—MHPs Demonstrating Low Performance Across All Dimensions of Care

Number of Reported Rates That Were At or Below the 25th Percentile					
	Pediatric Care	Women's Care	Living with Illness	Access to Care	Total
OMC	4	2	8	3	17
THC	1	2	3	5	11
MID	0	4	6	1	11
CCM	1	0	5	2	8

Validation of Performance Improvement Projects

Eight MHPs conducted PIPs that were validated as part of the 2004-2005 EQR. The study topic, overall score, and status of each MHP are shown in Table 4-3. Six MHPs achieved *Met* validation status with overall scores of 90 percent or higher, establishing confidence in the reported results. One MHP received a validation finding of *Partially Met*, with an overall score of 67 percent, indicating low confidence in the overall PIP results. Finally, one MHP's PIP was determined to be *Not Met*, with an overall score of zero, indicating that the PIP was considered not valid.

Table 4-3—EQR Validation of Performance Improvement Projects Findings

Plan	Study Topic	Overall Score	Status
CAP	Childhood Immunization	94%	Met
CCM	Well Child Visits 3-5	92%	Met
GLH	Adolescent Immunizations	90%	Met
HPM	Lead Testing	95%	Met
MOL	Improving Childhood Immunization Rates	67%	Partially Met
PSW	Diabetic Care: HbA1c and LDL Testing, Nephropathy Screening	93%	Met
THC	Childhood Immunizations	0%	Not Met
UPP	Improving Diabetes Care Indicators & Outcomes	92%	Met

Seven MHPs were considered to have produced valid PIPs, with high confidence in the PIP results, based on MDCH-defined criteria consistent with the PIP validation protocol.

Table 4-4—PIP Findings for MHPs with Deemed Status

Plan	Study Topic	NCQA QI 11 Score	Status
HPP	Adolescent Immunization—Combination One	100%	Valid
MCD	Childhood Immunization—Combination One	100%	Valid
MCL	Childhood Immunization—Combination Two	100%	Valid
MID	Childhood Immunization—Combination One	94.64%	Valid
OCH	Childhood Immunization—Combination One	100%	Valid
PMD	Diabetes Care—LDL-C Screening	100%	Valid
PRI	Varicella—Zoster Virus (VZV) Child and Adult	100%	Valid

The following discussion addresses only those PIPs that were validated by HSAG (N = 8).

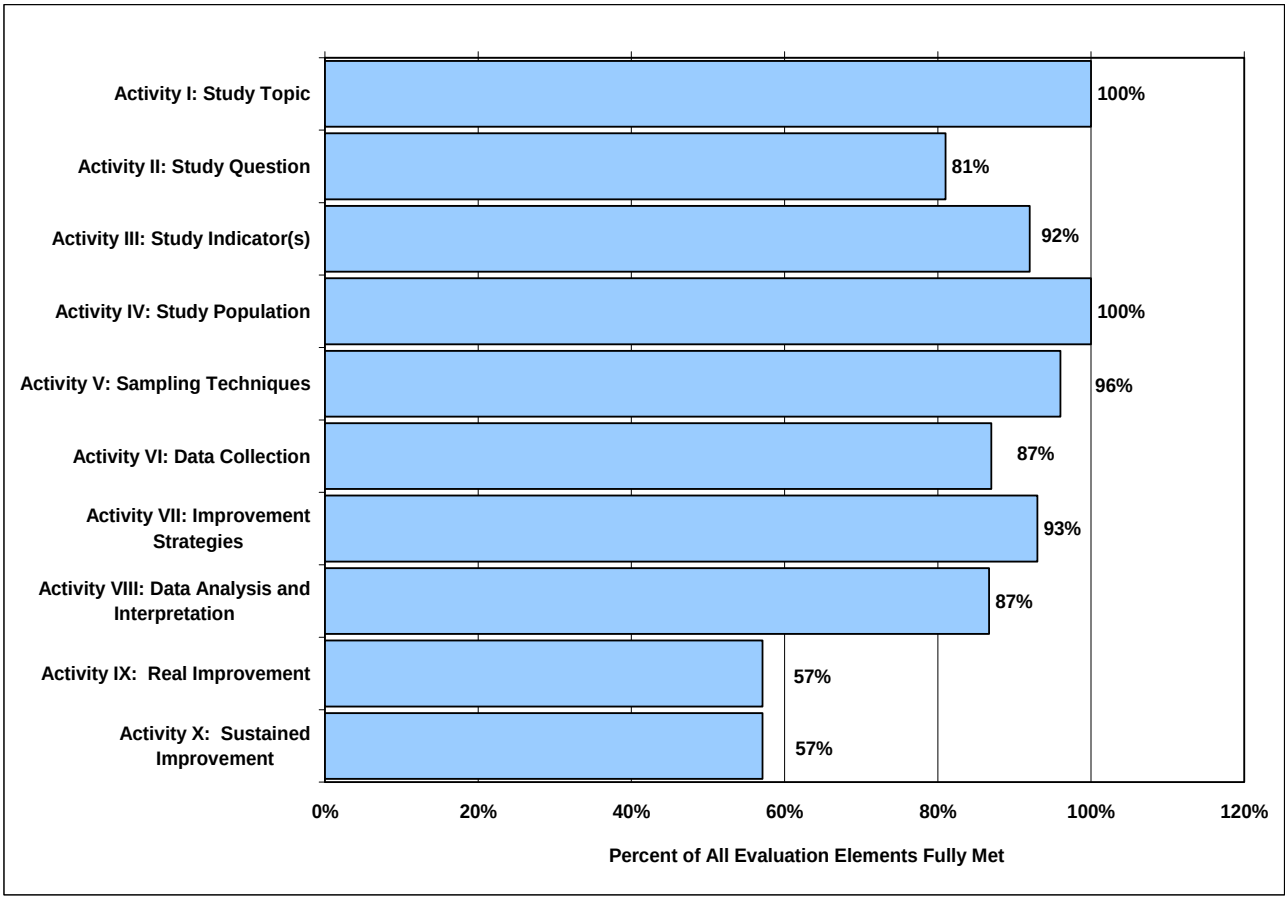
Using the 10 CMS-recommended PIP protocol activities, HSAG validated one PIP study for each of the eight MHPs. The study topics were determined by the individual MHPs and, as such, the PIP study topics were not uniform across the MHPs.

Each PIP was given an overall validation finding of *Met, Partially Met,* or *Not Met*. As detailed in Section 3, this overall score was based on the total percentage of elements that were *Met* and whether all applicable critical elements were *Met.* The 13 elements designated by HSAG as "critical" had to be *Met* for the PIP to produce accurate and reliable results, and to be considered in full compliance.

Figure 4-2 shows the percentage of all evaluation elements that were fully *Met* across all MHPs.

- Higher performance across all MHPs was observed in the areas of:
  - Activity I: Appropriate Study Topic (100 percent)
  - Activity III: Clearly Defined Study Indicator (92 percent)
  - Activity IV: Correctly Identified Study Population (100 percent)
  - Activity V: Valid Sampling Techniques (96 percent)
  - Activity VII: Appropriate Improvement Strategies (93 percent)
- Average performance was noted in the areas of:
  - Activity II: Clearly Defined, Answerable Study Question (81 percent)
  - Activity VI: Accurate/Complete Data Collection (87 percent)
  - Activity VIII: Sufficient Data Analysis and Interpretation (87 percent)
- Below-average performance was observed in the areas of:
  - Activity IX: Real Improvement Achieved (57 percent)
  - Activity X: Sustained Improvement Achieved (57 percent)

Figure 4-2—Percentage of All PIP Evaluation Elements Fully Met



HSAG calculated the overall MHP percentage scores for the PIPs that were validated. The percentage score includes evaluation of critical and noncritical elements. Low percentage scores indicate difficulty with specific activities, while high percentage scores indicate the MHP is able to understand, document, and perform the required activities.

Figure 4-3 provides a comparison of each MHP's percentage score of all evaluation elements (both critical and noncritical) that were *Met* across all activities for each PIP that was validated. **Health Plan of Michigan, Inc.** (**HPM**) and **Cape Health Plan** (**CAP**) received the highest average scores (94.7 percent and 94.2 percent, respectively), with six of the eight MHPs scoring above 90 percent. **THC**'s PIP was assigned a score of zero percent and a *Not Valid* status, due to not meeting all critical elements. **Molina Healthcare of Michigan** (**MOL**) received a score of 66.7 percent, indicating room for improvement. Due to these two MHPs' lower scores, the average PIP score statewide was calculated to be 77.9 percent.

Figure 4-3—PIP Scores Across All Evaluation Elements, by MHP (Includes Critical and Noncritical Elements)

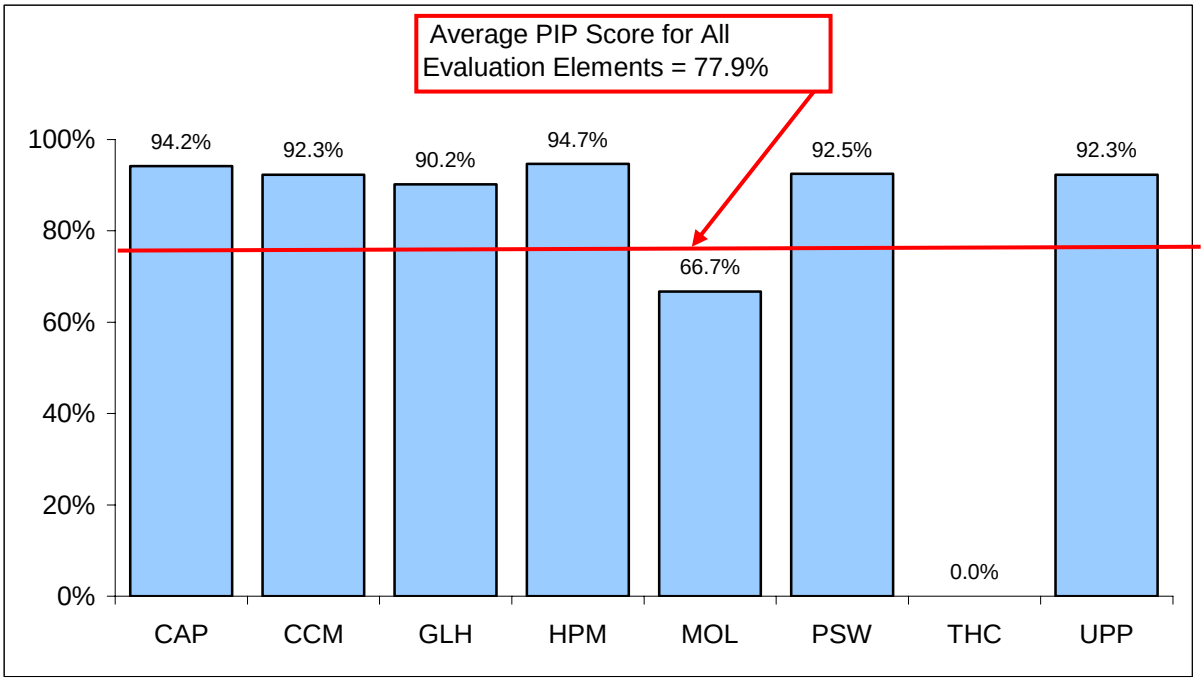
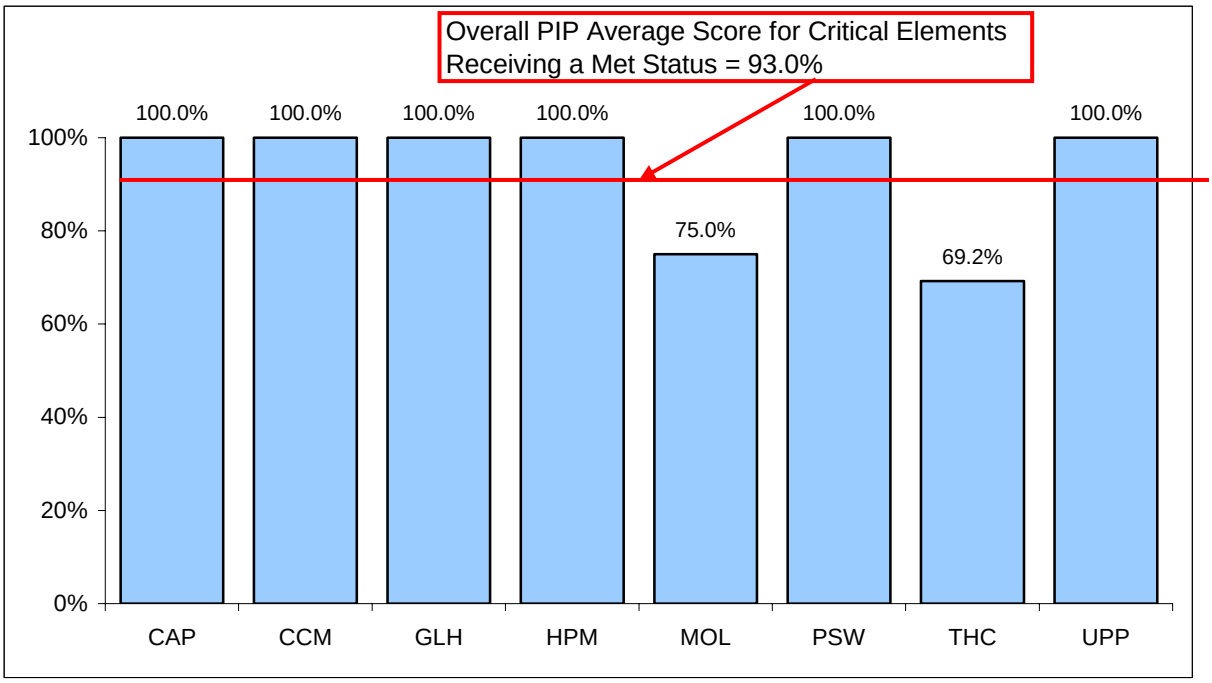


Figure 4-4 shows the MHP-average percentage of applicable critical elements that were *Met* across the validated PIPs. Six MHPs received a *Met* status for all critical elements. The overall state average score for critical elements that received a *Met* status was 93 percent. One MHP (**MOL**) received a *Partially Met* status for three critical elements, which resulted in the PIP finding of *Partially Met*. The remaining MHP (**THC**) received a *Not Met* status for two of the critical elements and a *Partially Met* status for two others, which resulted in the PIP finding of *Not Valid*.

Figure 4-4—Average PIP Scores for Critical Elements with a Met Status, by MHP



For each MHP, Table 4-5 provides the numerical percentage scores for critical elements *Met*, all elements *Met* (both critical and noncritical elements), and overall PIP validation status.

Table 4-5—Summary of Each MHP's Compliance Ratings for All PIP Evaluation Elements

MHP	% Critical Elements Met	% All Elements Met	Validation Status
CAP	100%	94.2%	Met
CCM	100%	92.3%	Met
GLH	100%	90.2%	Met
HPM	100%	94.7%	Met
MOL	75%	66.7%	Partially Met
PSW	100%	92.5%	Met
THC	69%	0.0%	Not Met
UPP	100%	92.3%	Met

MHP Compliance

On-Site Reviews

MDCH conducted on-site reviews to evaluate the 15 contracted MHPs' compliance with the Medicaid contract. A survey tool was used for the review that contained a total of 54 standards representing criteria in six core performance areas. MHPs were assigned a score for each standard based on the results of the review, past performance and/or accreditation status. (See Section 3 for more details regarding the on-site review methodology.) Table 4-6 contains a summary of the 2004 on-site review results by MHP for all core areas. The summary was compiled from site review reports for each of the 15 MHPs, as provided to HSAG by MDCH.

Table 4-6—Michigan MHPs 2004 On-Site Review Results

MHP	Pass	Fail	Incomplete	Not Reviewed	Deemed Status	*Compliance Percentage
CAP	34	0	0	13	7	100%
CCM	37.2	1	4	5.2	6.6	88%
GLH	34.3	0	4	9.7	6	90%
HPM	36	0	4	12	2	90%
HPP	30	0	7	9	8	81%
MCD	28.9	0	4	14	7.1	88%
MCL	28	0	5	14	7	85%
MID	31	0	8	8	7	79%
MOL	31.3	1	8	11	2.7	78%
OCH	28	0	2	17	7	93%
PMD	30.1	0	7	11	5.9	81%
PSW	27.8	0	6	14.5	5.7	82%
PRI	30	0	2	15	7	94%
THC	36.5	1	1	11.8	3.7	95%
UPP	33.5	0	5	11.7	3.8	87%
High	**37.2**	**1**	**8**	**15**	**8**	**100%**
Low	**27.8**	**0**	**1**	**5.2**	**2**	**78%**
Average	**31.8**	**0.2**	**4.5**	**11.8**	**5.8**	**87%**

* Compliance percentage is the percentage of standards reviewed that received a "pass" score. Standards not reviewed or assigned deemed status were not included in the calculation.

A total of six MHPs demonstrated strong performance in the criteria reviewed, with a "pass" score of 90 percent or greater. Four MHPs showed results at or near the average of 87 percent, and the results for five MHPs indicated below average performance in comparison to the other MHPs. There were variations in the number of standards not reviewed or given deemed status, but in all cases the majority of the tool standards were reviewed during the on-site process.

Opportunities for improvement, reflecting the number of standards that did not receive a passing score, are shown by MHP in Table 4-7. The standards are grouped by the six core areas contained in

the on-site survey tool. MHPs were required to submit corrective action plans to MDCH for each of these standards, addressing the specific criteria that did not meet contractual obligations.

Table 4-7—Michigan MHPs: 2004 On-Site Review Results—Opportunities for Improvement*

MHP	Administrative	Provider	Member	Quality Assurance/ Utilization Review	MIS/Data Reporting/ Claims Processing	Fraud and Abuse
CAP						
CCM		1			1/**1**	2
GLH	1	1				2
HPM		3				1
HPP		2	1		2	2
MCD			2		2	
MCL		1	1			3
MID		2	1	1	1	3
MOL		3/**1**			1	4
OCH		1				1
PMD		1		1	1	4
PSW				1		5
PRI						2
THC		1			**1**	
UPP		1	1			3
Total	**1**	**18**	**6**	**3**	**10**	**32**

* Figures represent the number of standards that did not receive a "pass" score. Those shown in **red** denote a "fail" score.

The results show that:

- Administrative standards, with only one exception, were met by all MHPs.
- The majority of improvement opportunities were in three core areas: Fraud and Abuse, Provider, and MIS/Data Reporting/Claims Processing.
- Most of the MHPs received "incomplete" scores on one or more Fraud and Abuse criteria. Nearly half of all noncompliant criteria were from this core area.
- More than 25 percent of the improvement opportunities were from the Provider standards. One of the three "fail" scores was also in this core area.
- The MIS/Data Reporting/Claims Processing area accounted for two of the three "fail" scores.

HSAG's review of individual criterion from the on-site survey reports showed that:

- Five MHPs received "incomplete" scores on paying 90 percent of clean claims within 30 days and maintaining an ending inventory greater than 45 days of no more than 2 percent of claims.
- Four MHPs failed to obtain prior approval from MDCH for all materials provided to members.

CAHPS

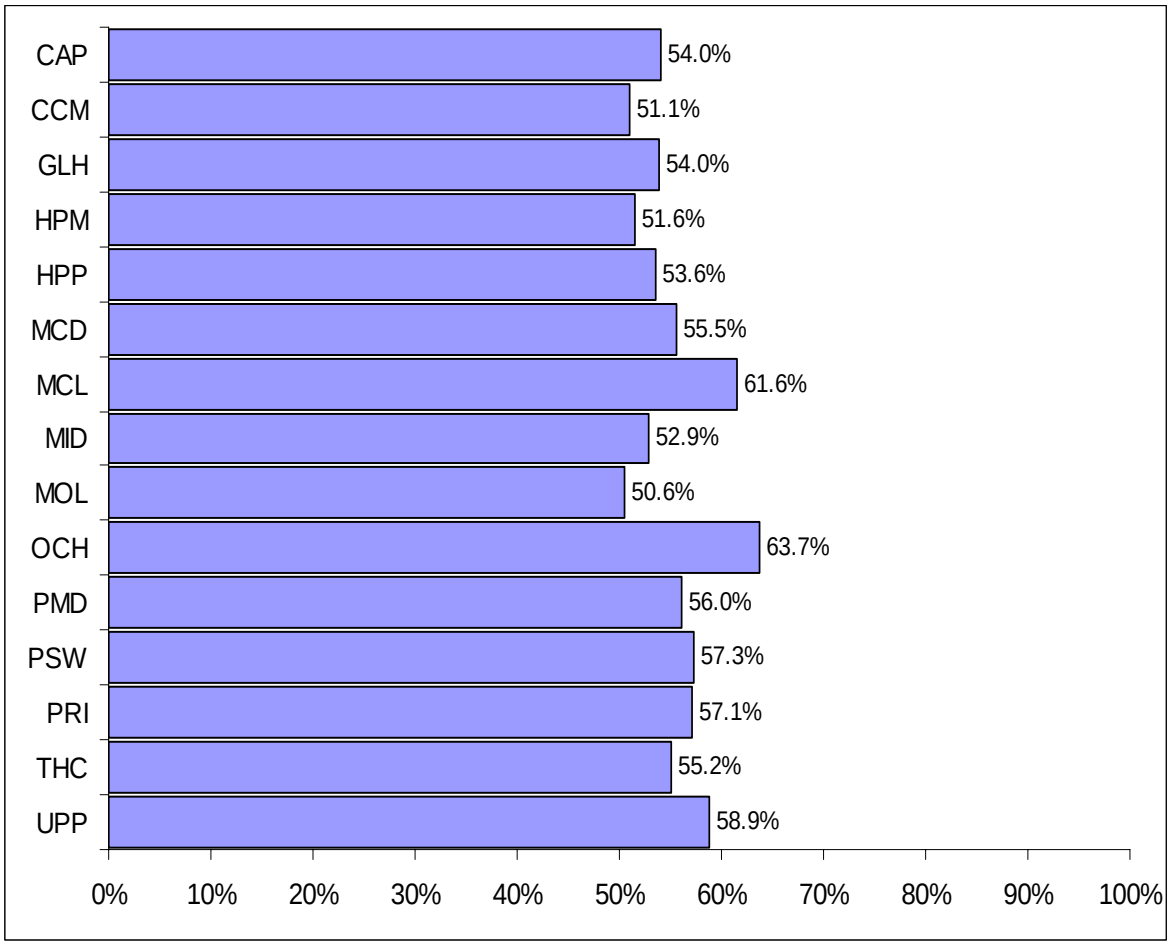
Table 4-8 shows 2004 overall member satisfaction ratings for the four global CAHPS measures: Rating of Personal Doctor, Rating of Specialist, Rating of All Health Care, and Rating of Health Plan. The results are presented on a three-point scale. To facilitate plan comparisons, results that fell below the national 25th percentiles appear in red font.

Table 4-8—Michigan Medicaid CAHPS Global Ratings (3-Point Mean)

	Rating of Personal Doctor	Rating of Specialist	Rating of All Health Care	Rating of Health Plan
CAP	2.38	2.42	2.28	2.09
CCM	2.34	2.37	2.25	2.09
GLH	2.36	2.38	2.29	2.10
HPM	2.31	2.45	2.16	1.98
HPP	2.36	2.50	2.23	2.22
MCD	2.40	2.36	2.32	2.26
MCL	2.48	2.49	2.38	2.25
MID	2.37	2.35	2.31	2.20
MOL	2.30	2.38	2.21	2.00
OCH	2.51	2.47	2.30	2.24
PMD	2.39	2.50	2.29	2.21
PSW	2.43	2.41	2.27	2.21
PRI	2.42	2.33	2.27	2.22
THC	2.36	2.46	2.25	2.14
UPP	2.44	2.44	2.32	2.06
NCQA 25th %	2.37	2.39	2.23	2.22

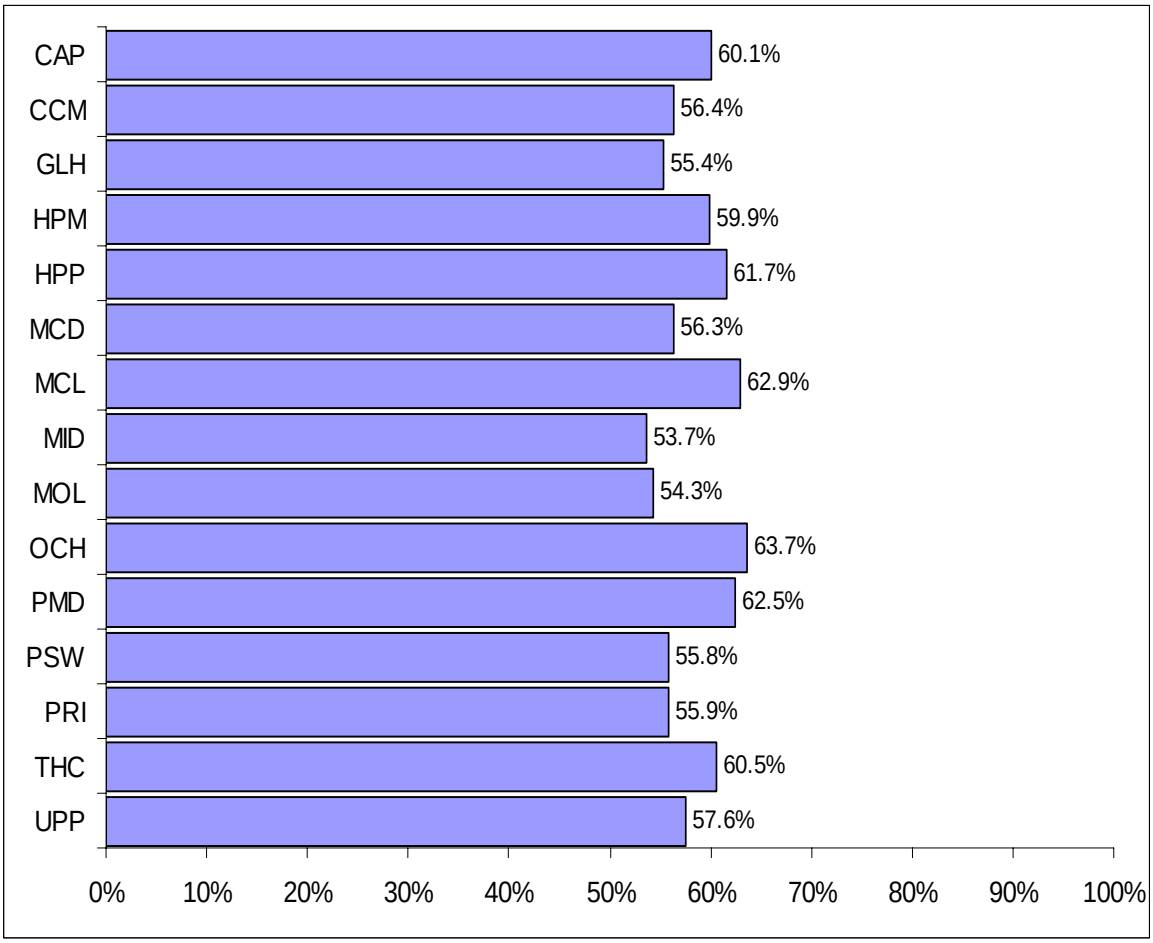
A question summary rate was calculated for each global rating question. The following figures present the percentage of respondents providing a "Top Satisfaction" response (9 or 10 on a scale of 0 to 10).

Figure 4-5—Rating of Personal Doctor: 2004 "Top Satisfaction" Percentage for Michigan MHPs



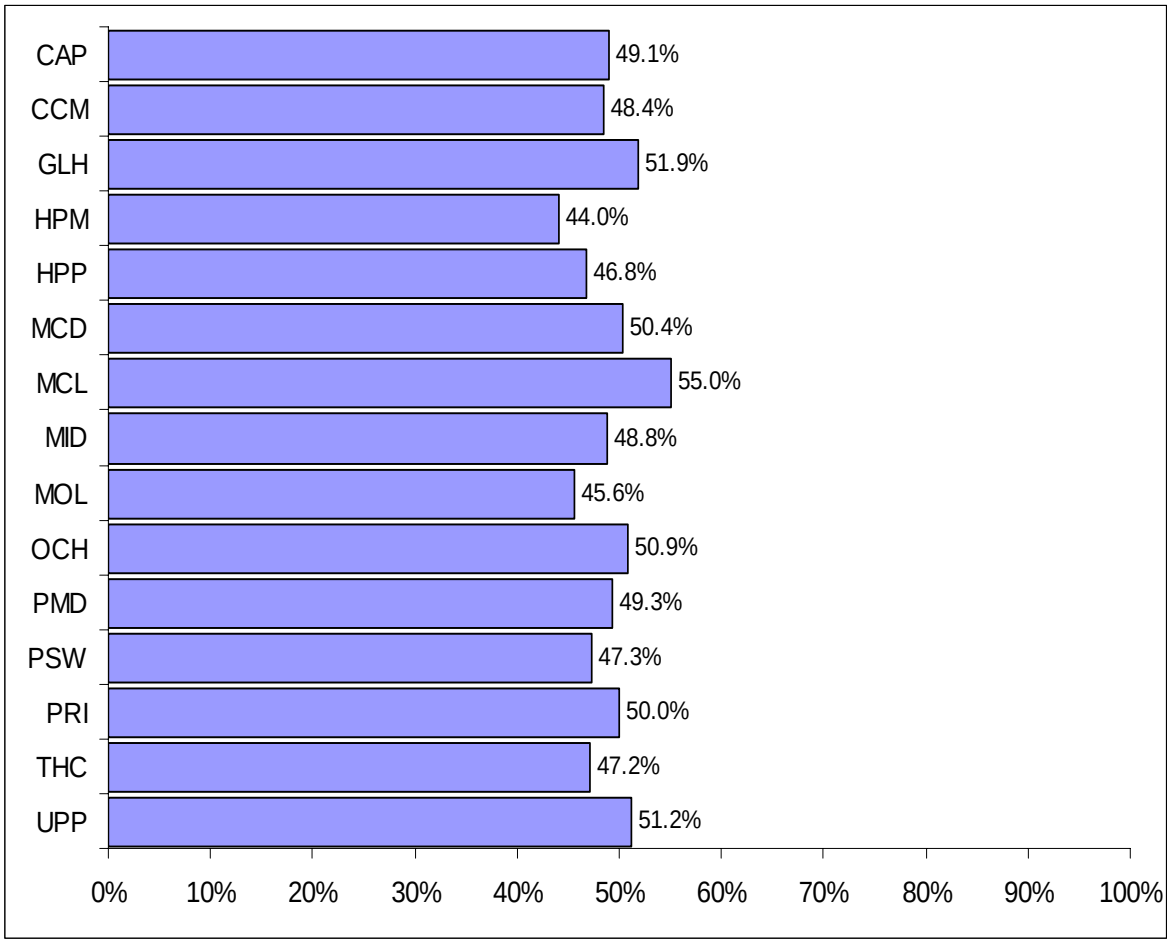
At least half of the survey respondents in each of the Michigan MHPs gave a "Top Satisfaction" response for the Personal Doctor global rating, with percentages ranging from 50.6 percent to 63.7 percent. Three-point means ranged from 2.30 to 2.51, with six MHPs below the national 25th percentile.

Figure 4-6—Rating of Specialist: 2004 "Top Satisfaction" Percentage for Michigan MHPs



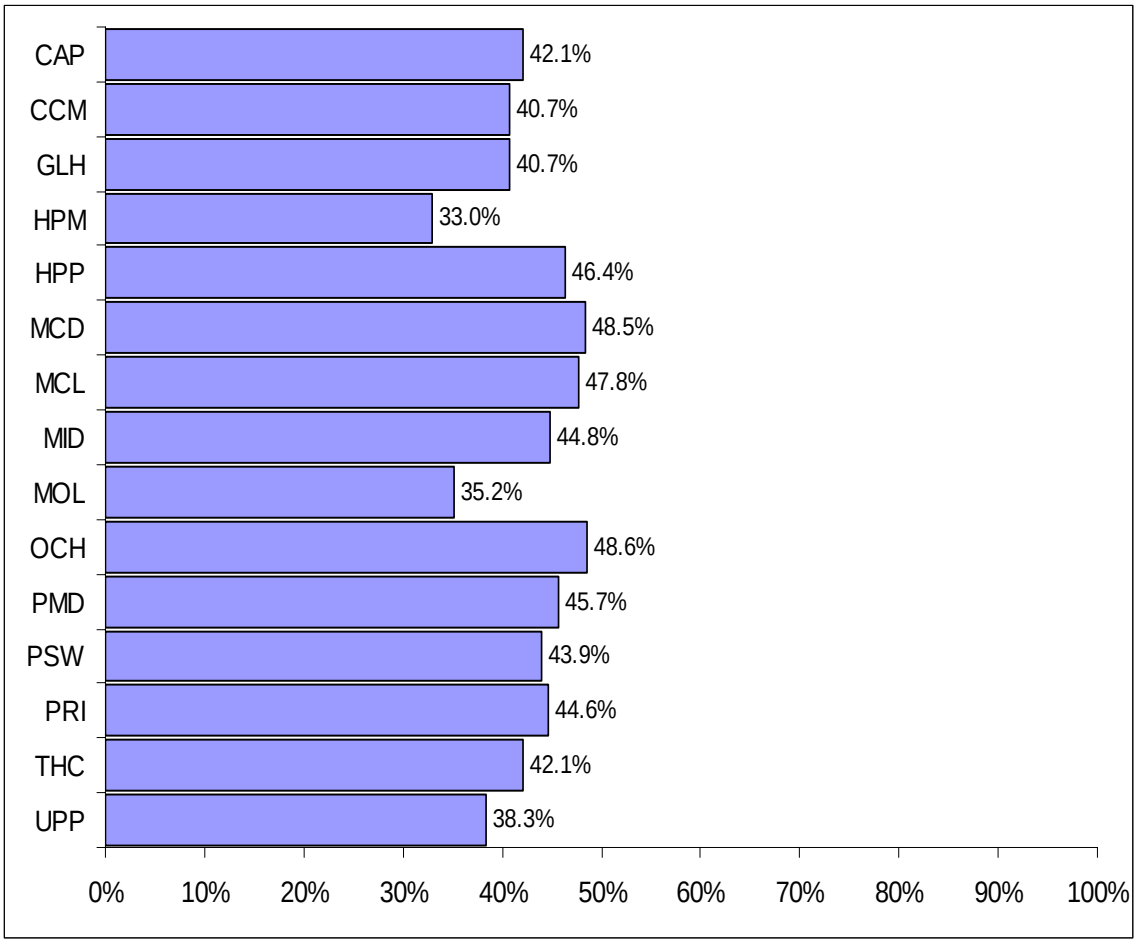
Michigan MHP members indicated stronger satisfaction with specialist care than experiences with their personal doctors. "Top Satisfaction" percentages ranged from 53.7 to 63.7 percent. Three-point means ranged from 2.33 to 2.50, with six MHPs below the national 25th percentile.

Figure 4-7—Rating of All Health Care: 2004 "Top Satisfaction" Percentage for Michigan MHPs



"Top Satisfaction" with All Health Care experiences were below the 50 percent level for nine of the 15 plans, and the remaining plans were just above the 50 percent threshold. Three-point means ranged from 2.16 to 2.38, and only two MHPs fell below the national 25th percentile.

Figure 4-8—Rating of Health Plan: 2004 "Top Satisfaction" Percentage for Michigan MHPs



The level of satisfaction expressed by Michigan MHP members with their health plan was lower than the ratings offered for the other global ratings. All MHPs showed "Top Satisfaction" ratings lower than 50 percent, with percentages ranging from 33.0 percent to 48.6 percent. Three-point means ranged from 1.98 to 2.26, with 10 plans below the national 25th percentile.

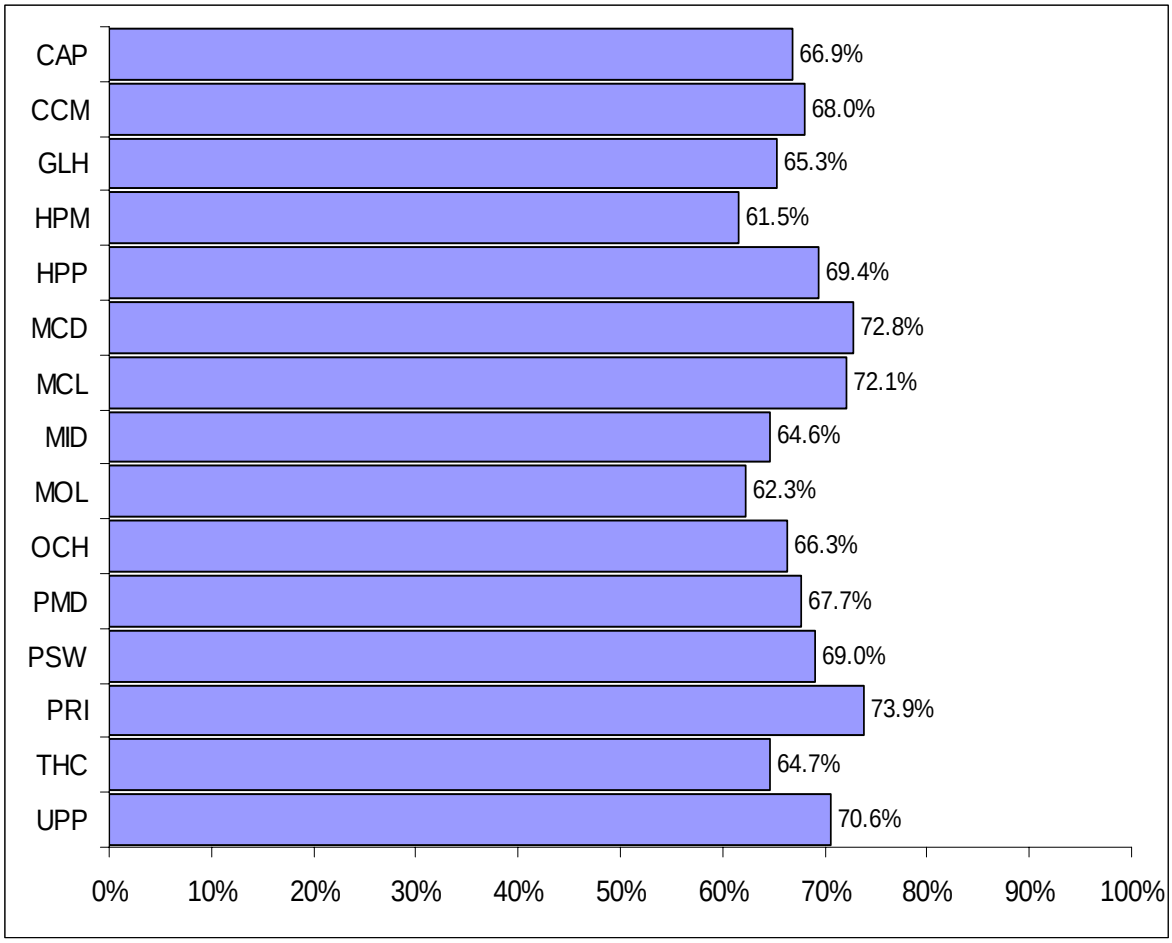
Table 4-9 shows 2004 member satisfaction ratings for the five CAHPS composite scores: Getting Needed Care, Getting Care Quickly, How Well Doctors Communicate, Courteous and Helpful Office Staff, and Customer Service. To facilitate plan comparisons, results that fell below the national 25th percentiles are displayed in red font. For the Medicaid product line, a minimum of 100 responses for the composite scores was required in order to be reported as CAHPS survey results. Composite scores that did not meet the minimum number of responses are denoted as *Not Applicable (NA)*.

Table 4-9—Michigan Medicaid CAHPS Composite Scores (3-Point Mean)

	Getting Needed Care	Getting Care Quickly	How Well Doctors Communicate	Courteous and Helpful Office Staff	Customer Service
CAP	2.52	2.17	2.41	2.53	NA
CCM	2.52	2.10	2.40	2.48	NA
GLH	2.47	2.11	2.39	2.49	NA
HPM	2.43	2.17	2.33	2.46	NA
HPP	2.58	2.10	2.30	2.42	NA
MCD	2.62	2.22	2.47	2.55	2.48
MCL	2.61	2.24	2.47	2.55	NA
MID	2.51	2.10	2.46	2.45	NA
MOL	2.44	2.18	2.38	2.51	NA
OCH	2.51	2.01	2.47	2.47	NA
PMD	2.52	2.15	2.45	2.52	2.52
PSW	2.57	2.13	2.40	2.50	NA
PRI	2.63	2.19	2.42	2.52	2.57
THC	2.49	2.09	2.39	2.45	NA
UPP	2.59	2.24	2.49	2.59	2.45
NCQA 25th %	2.52	2.11	2.41	2.51	2.44

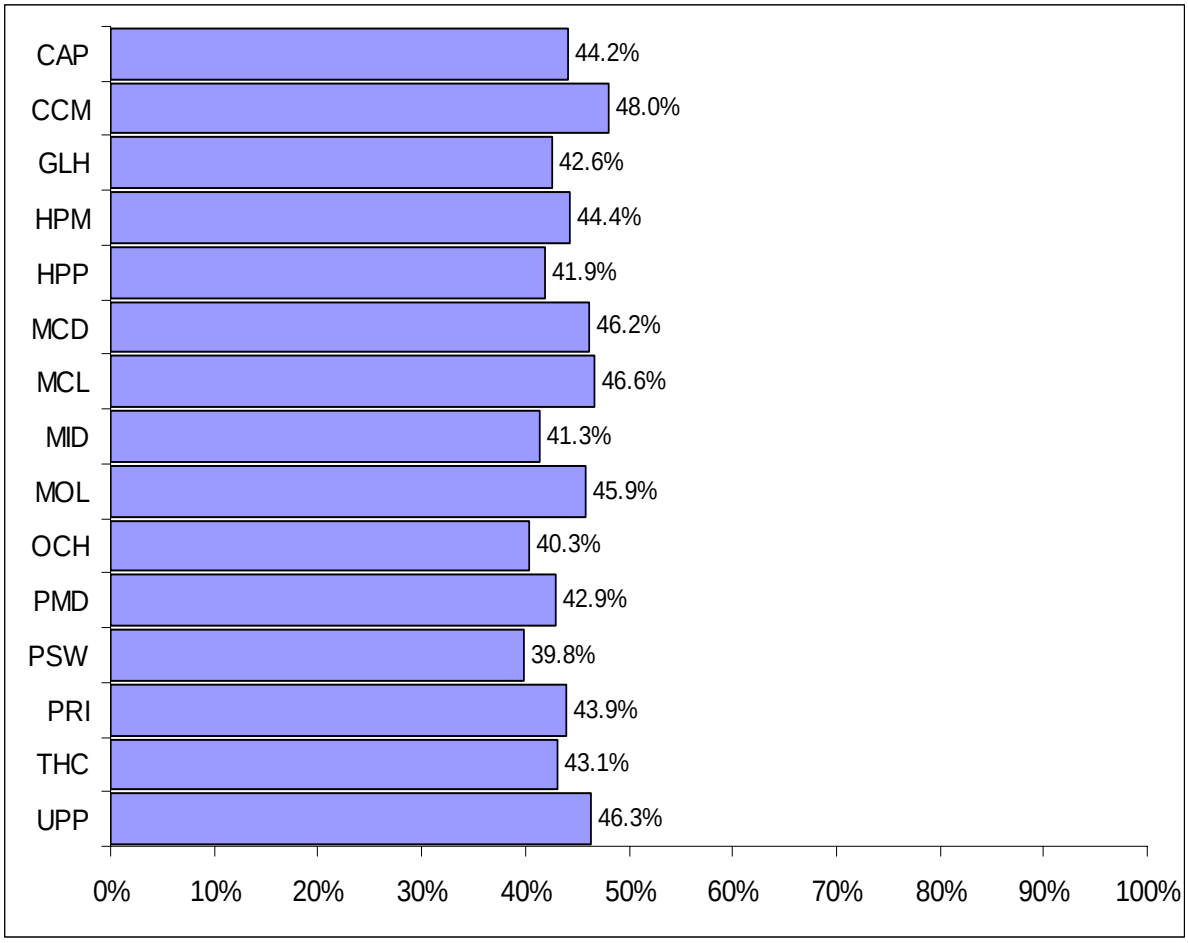
A global proportion was calculated for each composite score. The following figures present the percentage of respondents providing a "Top Box" response (response of "Always" or "Not a Problem").

Figure 4-9—Getting Needed Care Composite: 2004 "Top Box" Percentage for Michigan MHPs



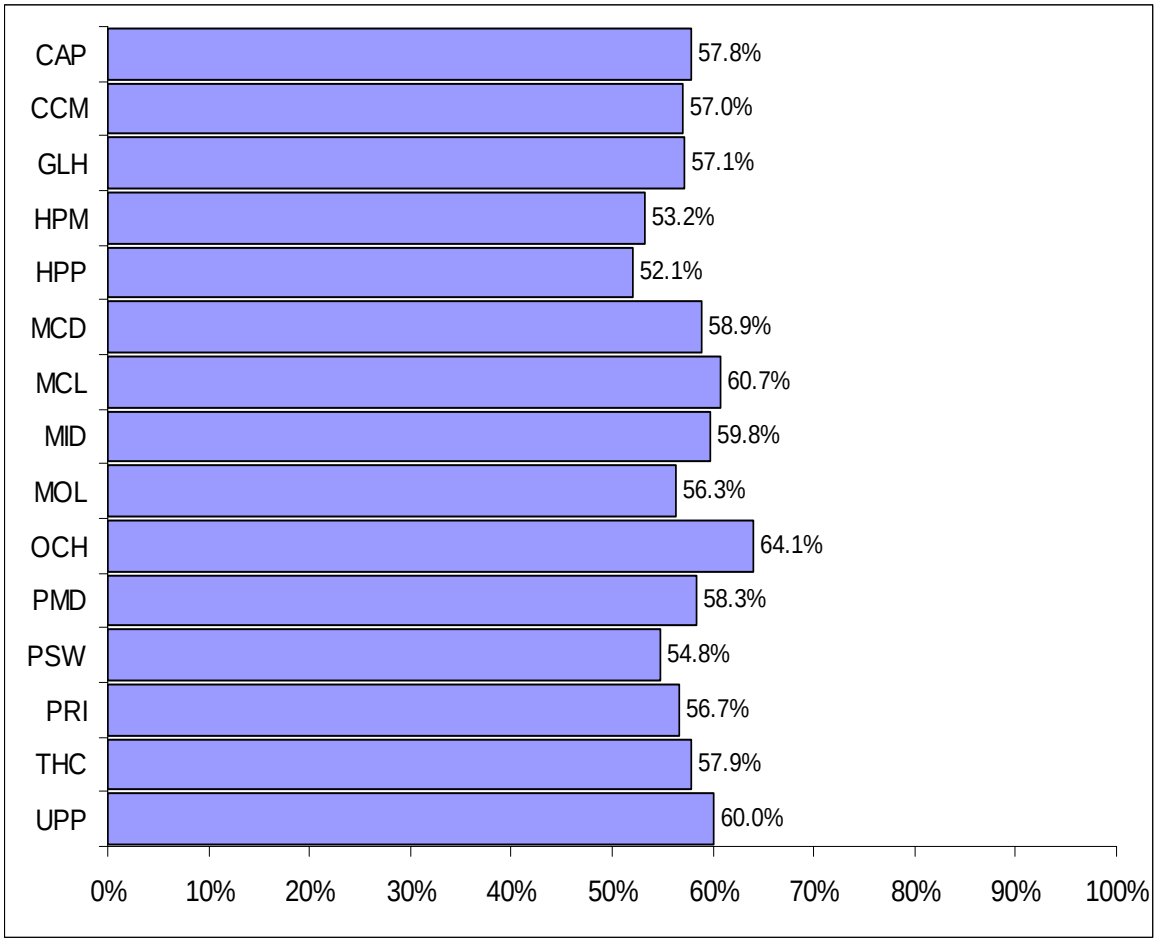
A majority of respondents in all Michigan MHPs said that getting needed care was not a problem. "Top Box" percentages ranged from 61.5 percent to 73.9 percent. Three-point means ranged from 2.43 to 2.63, with six plans falling below the national 25th percentile.

Figure 4-10—Getting Care Quickly Composite: 2004 "Top Box" Percentage for Michigan MHPs



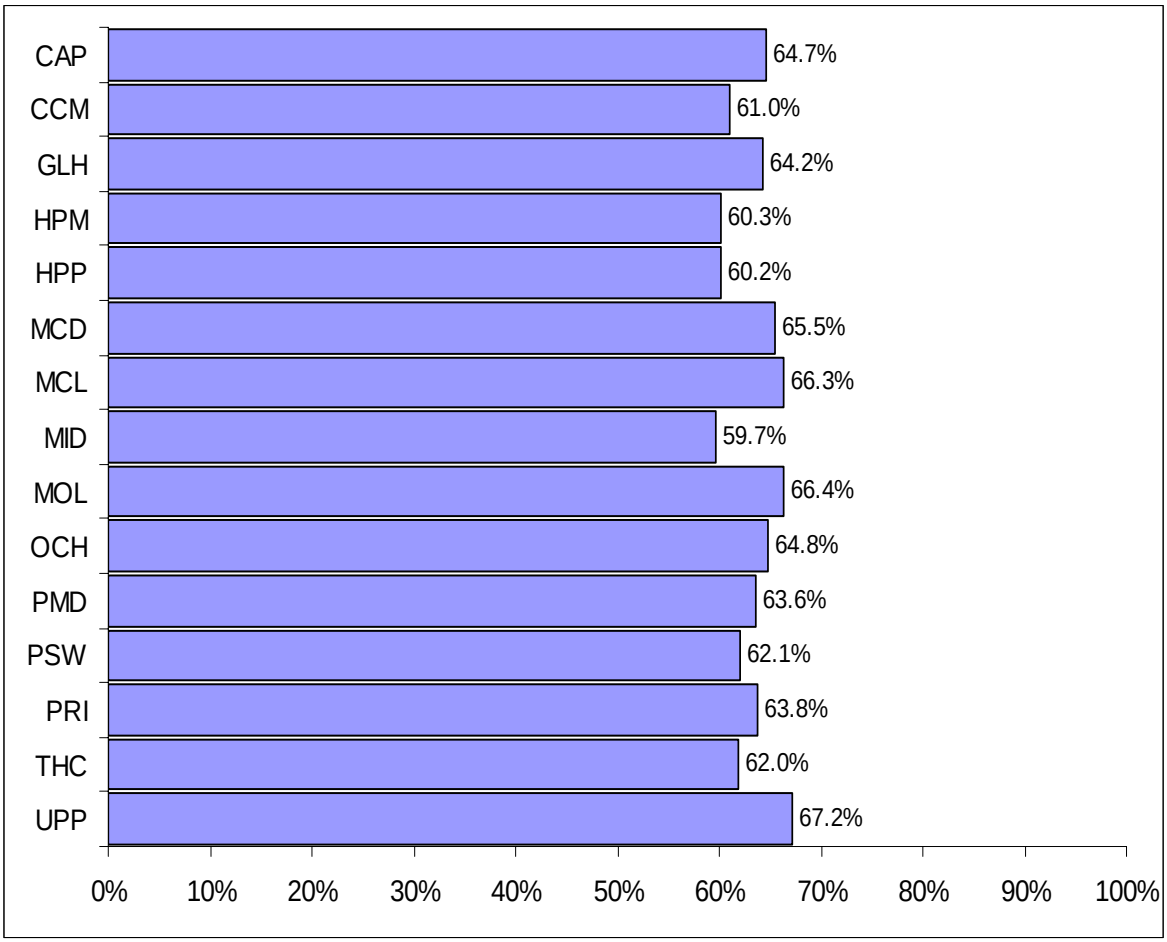
"Top Box" percentages were below 50 percent for all the Michigan MHPs on the Getting Care Quickly composite. The percentage of those who said they always received care quickly ranged from 39.8 percent to 48.0 percent. Three-point means ranged from 2.01 to 2.24, with five MHPs below the national 25th percentile.

Figure 4-11—How Well Doctors Communicate Composite: 2004 "Top Box" Percentage for Michigan MHPs



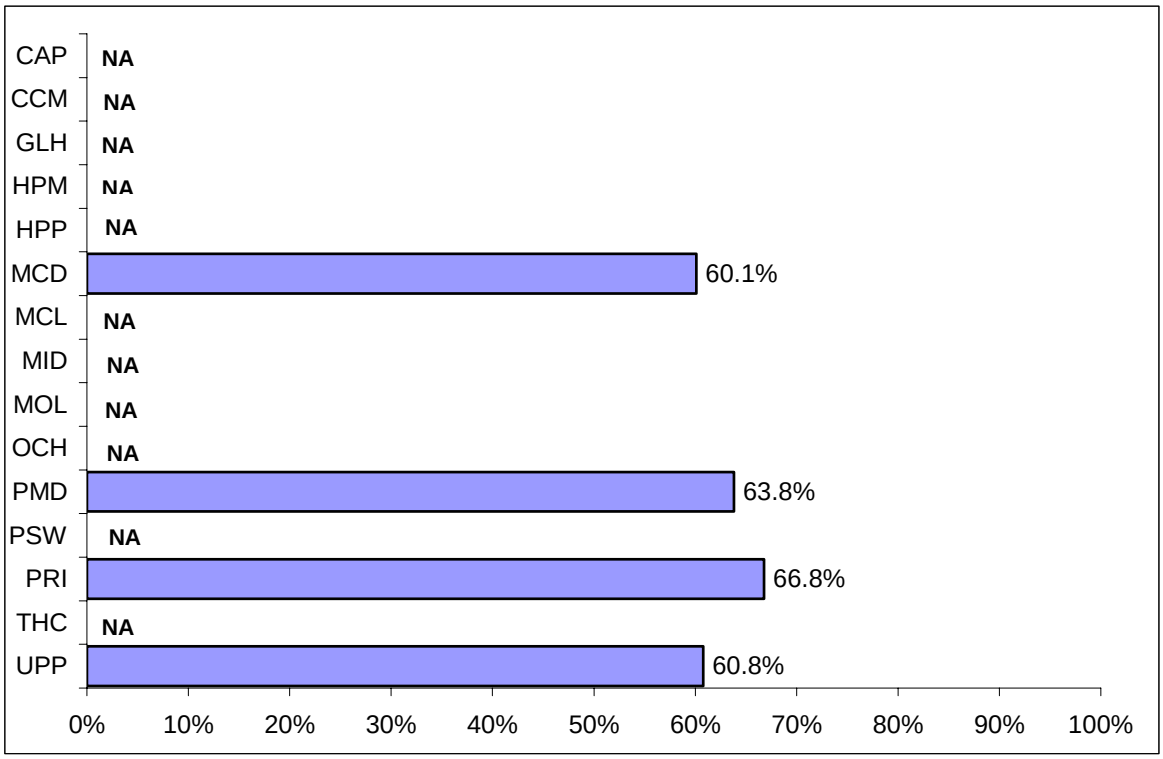
All Michigan MHPs showed "Top Box" results above the 50 percent level for the How Well Doctors Communicate composite measure. Scores ranged from 52.1 percent to 64.1 percent. Three-point means ranged from 2.30 to 2.49, with seven MHPs below the national 25th percentile.

Figure 4-12—Courteous and Helpful Office Staff Composite: 2004 "Top Box" Percentage for Michigan MHPs



All Michigan MHPs showed "Top Box" percentages close to or greater than 60 percent. Scores ranged from 59.7 percent to 67.2 percent. Three-point means ranged from 2.42 to 2.59 percent, with eight plans falling below the national 25th percentile.

Figure 4-13—Customer Service Composite: 2004 "Top Box" Percentage for Michigan MHPs



Only four Michigan MHPs collected the minimum of 100 responses needed to report the Customer Service measure, resulting in a "not applicable" designation for the other plans. "Top Box" percentages ranged from 60.1 to 66.8 percent. Three-point means ranged from 2.45 percent to 2.57 percent; all of the plans were above the national 25th percentile.

Conclusions and Recommendations

Validation of Performance Measures

Michigan MHPs possess the necessary support and information systems structure to report HEDIS data accurately. This is demonstrated by the consistent audit findings of full compliance across all MHPs. In addition, the wide variety of performance measures collected and reported across several dimensions of care further supports this finding.

One-third of the MHPs demonstrated high or excellent performance across all dimensions of care, a very positive finding for the Michigan Medicaid program. This finding suggests that quality improvement efforts are spread across the entire spectrum of care, from prevention services to chronic care. Slightly fewer than one-third of the MHPs demonstrated poor performance across all dimensions of care, with the remaining one-third within the average range. It should be noted, however, that even the poor performers met or exceeded the HPL for a given measure in many cases.

Recommendations

MDCH has an incentive program in place, which provides financial rewards for meeting certain standards of performance based on HEDIS data. MDCH should periodically re-evaluate this program to ensure that program goals are met. Disincentives for poor performance could be considered. In addition, MDCH should consider convening a small workgroup that includes MHP participants to discuss which incentives/disincentives can be the most effective in improving MHP performance.

MDCH should also consider establishing a forum for high performers to share best practice patterns. The high performers can be recognized for their efforts at quality improvement, and MHPs that are struggling can benefit from their expertise. HEDIS measures in which the Michigan weighted average was below MDCH expectations could be targeted for these educational efforts. It is expected that as the lower-performing MHPs improve performance across several areas, the Michigan weighted average will also improve, and subsequently overall quality of care to Michigan Medicaid beneficiaries.

Validation of Performance Improvement Projects

Most MHPs have established a strong framework for conducting PIPs. Out of 15 MHPs, only one PIP received a validation finding of *Not Valid*. Most PIP scores were also high, with a large majority above 90 percent. Above-average performance was observed in the PIP protocol activities related to appropriate study topics, clearly defined study indicators, valid sampling techniques, and appropriate improvement strategies.

The most challenging areas in terms of compliance with CMS protocol are meeting the real improvement criteria and achieving sustained improvement. Of the eight PIPs that were validated

by HSAG, these activities were fully met 57 percent of the time. Although some of the *Not Met* or *Partially Met* findings may be due to insufficient documentation, it is more likely that real and sustained improvement was not achieved.

Recommendations

For future PIPs, the MHPs should ensure that all evaluation elements identified in the PIP evaluation tool are clearly documented. The evaluation findings from this current year's PIP validation activity should be carefully reviewed by MHP staff to ensure that future PIP submissions contain all the necessary documentation. Improvement efforts should be focused on meeting the two activities that were most challenging for the MHPs (real improvement and sustained improvement), to ensure compliance. In addition, if an MHP is unable to achieve real and/or sustained improvement, the PIP study topic, purpose, and question should be re-evaluated. It is possible that by not achieving sustained improvement, the study question has been answered, and the PIP should be seriously scrutinized to determine if the improvement efforts should be continued.

MHP Compliance

On-Site Reviews

The Site Visit Reports for the 15 MHPs included comprehensive findings based on a review using a survey tool developed by MDCH. Findings were specific, appropriate to the standard being reviewed, and of sufficient detail to support the score as assigned. The reports were organized in an easy-to-follow format. Standards requiring that a corrective action plan be submitted to MDCH were brought forward in a separate table. Directions for preparing a corrective action plan were included for the MHP, including minimum requirements for acceptability.

MDCH plans to convene a committee to review/revise its MHP on-site review process and tools. HSAG recommends that MDCH ensure that its review process complies with federal regulations at 42 CFR 438.358 and the BBA protocols for monitoring MCOs and PIHPs, including the reporting of strengths and opportunities for improvement. Also, it is recommended that MDCH compare tool standards (and contract provisions) to BBA requirements and align criteria where appropriate. It may be helpful to include BBA citations, along with the contract authority references, on the review tool.

To assist in comparative analysis, it would be helpful for MDCH to develop a system for scoring the results of on-site reviews. Also, the number of standard elements or substandards that are scored for each MHP should remain consistent. The MHP-specific tables in the appendices of this report illustrate where substandards were scored for some but not all plans. It may be helpful to include definitions for all scoring designations on the on-site tool and report, as currently shown for "Not Reviewed."

Based on HSAG's review of the on-site reports, common findings and trends were identified. MDCH may consider addressing some of these areas on a statewide level, using workgroups, standard protocols or other means to share resources. In addition, MHPs that showed strong performance in a particular area could be asked to provide best practice ideas to other MHPs. The

one area that clearly could benefit from a statewide focus is Fraud and Abuse. Only three MHPs received passing scores on all of the Fraud and Abuse criteria. It is understood that although criteria for fraud and abuse were added in the 2003 cycle, FY2004 was the first cycle in which these criteria were scored for MHPs. This could account for the relatively weak performance overall in this core area. In addition, Provider and MIS/Data Reporting/Claims Processing standards should be examined to identify opportunities where collaborative efforts would be beneficial.

QIP Evaluation

The QIP evaluations and work plans submitted by the MHPs to MDCH varied substantially in terms of scope, organization, and level of detail. Clearly, much effort was expended to produce these documents. Developing standardized templates to assist MHPs in conducting annual QIP evaluations and work plans as efficiently and effectively as possible might further leverage the resources available. Templates would help ensure that each plan addresses the areas deemed most critical by MCDH, and assist in identifying global issues and resources that might exist across plans. It would be helpful to identify a few MHPs that submitted QIP documents in a preferred format and approach those plans for best practice ideas. Although a standardized format or template would not, in itself, assure an appropriate QIP, the process may be part of an overall strategy to align MHP practices. Standardization would also maximize MDCH resources throughout the review and evaluation process.

CAHPS Results

Ten of 15 MHPs fell below the national 25th percentile for the global overall Rating of Health Plan measure. At the member level, this rating is principally driven by members' perceptions of both the health plan and physician office operations. Health plan operations include those services provided by the health plan directly, including distribution of information about the plan, customer service, and identification of a provider. Physician office operations cover all activities that take place in physician offices, including scheduling of routine appointments, obtaining interpreters, and members' satisfaction with their physicians. To improve the overall Rating of Health Plan, QI activities should target both health plan operations and physician office operations.

Eight MHPs fell below the national 25th percentile for the Courteous and Helpful Office Staff measure. At the member level, face-to-face interactions with the office staff are the primary drivers of this composite score. Key issues include perceptions of the courtesy and respect shown by the office staff, and the level of helpfulness offered when making appointments and receiving care. Some potential sources of office staff interaction issues are physical barriers, greeting and departure practices, and resources to assist with procedures. To improve members' satisfaction with office staff courtesy and helpfulness, QI activities should focus on raising the awareness of staff members about the impact of courtesy and helpfulness on members' experiences, and additional staff training to develop and strengthen skills. Activities might also include troubleshooting with members, suggestion boxes, and a member-initiated reward or recognition system.

A four-step process was suggested to maximize the effectiveness of QI activities directed at opportunities for improvement indicated by the CAHPS findings:

1. Convene a QI work group to determine which individual survey questions would make the best targets for QI activities. The number of items to be addressed, and the specific items selected, would in part depend on available resources. The work group might find it necessary to address only a subset of high priority items. Or, it might be the case that one or more of the lower priority items would require fewer resources to address. A work group decision to go for an "easy victory" to build support for more difficult initiatives in the future might be the best strategy.
2. Once the work group has identified its QI target questions, interviews should be conducted with small samples of adult Medicaid members and staff to probe further into the sources of dissatisfaction with the issues addressed by each of the target questions, as well as member expectations regarding positive performance in these areas. The interviews should consist of these target questions, exactly as worded on the CAHPS 3.0H questionnaire, as well as follow-up questions designed to probe further into the reasons for members' responses. This research approach is qualitative, not quantitative, and key barriers to satisfaction usually emerge as common themes after only a small number of interviews.
3. Design and implement QI activities that address the underlying problems identified through the interviews. The rapid cycle approach to quality improvement developed by the Institute for Healthcare Improvement (IHI) is strongly recommended as a model for the work group's efforts. Details and examples of QI projects based on the IHI approach can be found at http://www.ihi.org.
4. Conduct periodic follow-up interviews with small samples of adult Medicaid members to determine progress in improving member satisfaction. The results of these interviews will help to keep staff motivated between administrations of the formal CAHPS® 3.0H Survey.